SENATE—*Thursday, April 10, 1986*

(Legislative day of Tuesday, April 8, 1986)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by Navy Chaplain Milford Oxendine, Jr., of the Treasure Island Naval Station, San Francisco, CA. He is sponsored by Senator JESSE HELMS of North Carolina.

PRAYER

The Navy Chaplain Milford Oxendine, Jr., Naval Station, Treasure Island, San Francisco, CA, offered the following prayer:

Let us pray.

O God of the universe, Alpha and Omega, defender of our great Nation. We have been blessed by You who has given us this good land for our heritage. May we always prove ourselves a people mindful of Your favor and glad to do Your will.

O Great One, we thank You that You dwell among us this day. We pray in behalf of all who are in positions of authority who make the laws we are to obey: Our Commander in Chief, the Joint Chiefs of Staff, Members of Congress, Governors, and all other elected and appointed officials.

We remember in gratitude the labor and lives of those who have gone before us. Our land is indeed hallowed by their names and their dedication they had to You and our country.

Bless our land with rich soil, honorable industry, sound learning, and pure manners. In the time of prosperity fill our hearts with thankfulness, and in the day of trouble suffer not our trust in You to fail. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way.

Also, we pray for the Members of our Senate, the members of their families, and all who support their service to us.

On this day we call upon You to guide our Senate Members with Your truth, Your compassion, and Your love. May they come to the end of the day strengthened by the service they have given in honor.

We commit ourselves in Your keeping this day in the name of our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. RUDMAN. I thank the Chair.

Mr. President, let me first yield 2 minutes of the leadership time to the distinguished senior Senator from North Carolina.

The PRESIDENT pro tempore. The distinguished Senator from North Carolina.

CHAPLAIN OXENDINE'S PRAYER

Mr. HELMS. Mr. President, I thank the Chair, and I thank my good friend from New Hampshire.

Of course, it is a moment of pride for this North Carolinian to have sponsored the distinguished guest Chaplain today.

Milford Oxendine, Jr., is an ordained clergyman of the United Methodist Church. We Baptists will forgive him for that. [Laughter.] He belongs to North Carolina Conference, and as the distinguished President pro tempore has just indicated, he is chaplain in the U.S. Navy.

He was born in Pembroke, NC. His parents are Milford Oxendine, Sr., and Adief B. Oxendine.

I might add for the edification of our distinguished acting majority leader that he is the first native American to serve in the U.S. Navy as a chaplain.

He received his B.S. degree in math from Pembroke State University. He received his masters of divinity degree from Duke Divinity School.

He was commissioned in May 1977 and went into the USNR in September 1980.

He has a delightful wife, the former Jeannie Hunt. They have four children: Shane, Scarlett, Aaron, and Christopher.

As I have indicated, he is an American Indian of the Lumbee Tribe in North Carolina.

He is presently assigned to the Naval Station in San Francisco, CA, with primary duty at the Transient Personnel Unit.

As I conclude, I want to pay my respect to the gentleman who called to my attention Commander Oxendine, a man whom I have admired for many, many years but have never met: Dr. A Purnell Bailey, who lives in McLean, VA.

He is distinguished in many ways as a clergyman. But I first became acquainted with him through his broadcast ministry, and a newspaper column.

He is a distinguished clergyman, and I thank him for calling my attention to Commander Oxendine.

I thank the distinguished acting majority leader for yielding.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SCHEDULE

Mr. RUDMAN. Mr. President, the two leaders under the standing order will have 10 minutes each.

I ask unanimous consent to reserve the remainder of the leadership time, both for the Democratic leader, and for the Republican leader.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. RUDMAN. There are special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, and her statement will be read by Senator MURKOWSKI; Senator PROXMIRE; Senator DOMENICI; Senator CHILES; Senator QUAYLE; Senator CRANSTON; Senator WILSON; Senator MELCHER; and Senator LAUTENBERG.

There will be routine morning business for not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

At 10 o'clock this morning, the Senate will resume consideration of S. 1017, the regional airport bill. Pending is amendment No. 1744, offered by Senator SARBANES of Maryland.

By unanimous consent there will be 40 minutes of debate to be equally divided on amendment No. 1744.

A rollcall vote will occur on or in relation to this amendment but not prior to the hour of 10:40 a.m.

Rollcall votes can be expected throughout the day, and into the evening in order to complete action on S. 1017, the regional airport bill.

Mr. President, I reserve the balance of the leadership time.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, Senator MURKOW-

SKI is recognized for the Senator from Florida, Mrs. HAWKINS, for not to exceed 5 minutes.

Mr. MURKOWSKI. Mr. President, I thank my colleague from New Hampshire, the acting majority leader.

It gives me a great deal of pleasure on behalf of Senator PAULA HAWKINS, who is recuperating in the hospital, to present a statement by her. The subject of her statement this morning is "Foot-Dragging Is Not a Good Posture for a Good Neighbor."

Mr. President, on behalf of Senator HAWKINS, I present the following statement:

FOOT-DRAGGING IS NOT A GOOD POSTURE FOR A GOOD NEIGHBOR

Mrs. HAWKINS. Mr. President, it is a matter of great disappointment to me that a country that ought to be a model of a "good neighbor" is considerably less than that. We have many economic and cultural ties with Mexico. We both are firmly committed to democracy and to capitalism. Mexicans have the same disdain for communism that Americans do. The governments of our nations are friendly. There is a cordiality between us and a spirit of cooperation in many international endeavors. There is a notable exception, however, and that is the effort to curb narcotics trafficking and bring violators to the bar of justice. Here the relationship falls short of what it could be.

Miguel Angel Felix Gallardo, the drug kingpin who is said to have ordered the assassination of American DEA agent Enrique Camarena Salazar, is still at large. Gallardo, supposedly being sought by Mexican authorities, has been seen publicly several times in Mexico in the past year. He is reported to be enjoying shelter and hospitality from high-ranking officials of two state governments. Does that sound like a maximum effort to locate one of the prime suspects in the Camarena kidnap-torture-murder plot?

Ambassador John Gavin says "there are at least 50" people involved in Camarena's slaying who are still at large. Gavin charges that these 50 are not being hunted seriously by Mexican law enforcement authorities. Thirty-seven people, including several policemen, have been arrested in connection with the Camarena case. The charges vary from crimes against health, conspiracy, illegal import of arms and concealment. But when will they be tried and what is the holdup? What of the case against Rafael Caro Quintero? He was indicted in the Federal district of Mexico City on April 8, 1985, one year ago. The weight of the evidence against him would appear to be damning, but when does he go to trial?

The partnership between drug traffickers and police, and others in authority in Mexico, is well-known; what is worse, it is accepted. Corruption in high places has reached a new plateau.

American officials have granted temporary asylum to 29 Mexicans who have been threatened by drug traffickers linked to the Camarena case. The temporary visas were given to 6 Mexicans and their families; four of the men were members of the Mexican federal police force. The group is said to have abducted a suspected drug trafficker, Rene Martin Verdugo, who is believed to have been present during the torture of Camarena, and handed him over to American authorities at the U.S.-Mexican border. Mexican drug smugglers were unhappy about the incident and threatened to retaliate against those involved. I am proud that our officials granted asylum to these Mexicans, and I hope that they and their families are given all the protection possible. But I decry the fact that these six men, who have respect for justice, do not feel secure in their own country, and that drug smugglers have gained so much power and influence they can commit irrational acts with impunity, even crimes so beastly as the fatal bludgeoning of Enrique Camarena Salazar.

Mexico is the number one supplier of illicit amphetamines to the United States. Marijuana shipments to the U.S. are also increasing to the point where statistics are almost meaningless. Every six-month reporting period exceeds the previous six months. One-third of the cocaine coming into the U.S. is smuggled through Mexico. And more than one-third of the heroin entering the U.S. illegally comes from Mexico—the largest single source country for the American market. What is particularly frightening to our drug fighters is Mexico's expanding output of a darker, stronger heroin known on the street as "black tar" or "tootsie roll." This sticky, cocoa-colored powder is 60 to 70 percent pure—twice the strength of the traditional "Mexican brown" heroin.

Small wonder that we worry about Mexico's dedication to fighting the drug traffic and challenge her sincerity to bring it under control. Until we see more solid evidence, we must question her commitment and urge her to take the necessary steps to become a "good neighbor." A "good neighbor" does not do things which threaten your institutions, corrupt your officials, destabilize your economy, wreck the health of your children, and weaken the fabric of your society. Mexico could take definite steps in the direction of becoming a "good neighbor" by bringing to justice the criminals who snuffed out the life of Enrique Camarena Salazar.

Mr. MURKOWSKI. Mr. President, I am pleased to have read that statement into the RECORD. We all wish Senator HAWKINS a speedy recovery as she recuperates.

Mr. President, I, too, have had the opportunity to work with Senator HAWKINS in regard to her tremendous efforts to bring the drug issue to the forefront. I commend her as a member of the special Presidential committee with a number of other colleagues who have pursued this matter.

CREDENTIALS OF VETERANS' ADMINISTRATION PHYSICIANS

Mr. MURKOWSKI. Mr. President, as chairman of the Veterans' Affairs Committee I am deeply concerned about the case of Comdr. Donal M. Billig and the questions it raises for medical care practice in the United States in general, and in the Veterans' Administration in particular.

Commander Billig, chief of heart surgery at Bethesda Naval Hospital, was recently sentenced to 4 years imprisonment for the deaths of three patients. Dr. Billig was convicted on 2 counts of involuntary manslaughter, 1 count of negligent homicide, and 18 counts of dereliction of duty.

It is difficult to imagine how these events were allowed to transpire. Although Dr. Billig was held accountable finally by the military medical care system, this case is a perfect illustration of the critical need for a systematic means of verifying the licenses and clinical competence of health-care professionals.

Patients and their families seek relief from alleged poor medical care practice by turning to the courts to file malpractice claims. The emphasis in this country on litigation as a means to remedy a negative medical outcome has resulted in unprecedented increases in medical malpractice insurance. Patients and their families should have access to the courts. Physicians and other health-care professionals should be held accountable to their patients, their colleagues, and the public for the quality of their work. However, by its very nature, any malpractice claim is filed after the fact, when the damage is done. That is too late. A patient will never be brought back to life or permanent physical damage cannot be reversed.

That is why it is imperative to develop a preventive mechanism to ensure that such incidents do not occur. I believe that accurate, truthful, and complete information is the foundation of any health care credentialing program. The appropriate and timely use of the information, including its exchange with relevant agencies and licensing bodies, is the most critical component of this important process. This exchange is basic to verifying and maintaining the integrity of any health-care system.

Last summer I expressed my concerns to the VA about the need for a comprehensive credentials monitoring process. It is, therefore, timely to note that the Veterans' Administration just submitted its first report to Congress, required by Public Law 99-166, on its current efforts and procedures and future plans for determining and monitoring the credentials of VA health-care professionals. The report covered several major areas of concern. First, for physicians applying for employment, the VA now requires license verification, a check with the applicant's current or most recent employer, questions to the applicant concerning past clinical privilege problems, and a revised physician employment application. Second, the VA is currently negotiating with the Federation of State Medical Boards for a regular screening every 2 years for licensing irregularities of all currently employed physicians. And third, the VA is also negotiating with the federation to arrange for the notification of former VA physicians whose professional clinical practice failed to conform to generally accepted standards of clinical practice.

The VA's efforts to improve the credentials monitoring process are well underway. Although VA health-care professionals are noted for their dedication to providing high quality acute and long-term care services to our Nation's veterans, I continue to be concerned that the credentials monitoring program is not yet fully implemented. I believe that once the VA has the credentials monitoring program firmly in place, the agency will have the capability to be a leader and an example, as it has been in other areas, to other health-care providers of responsible and high quality medical care practice. I intend to continue to monitor closely the VA's efforts in this regard and I encourage the VA to expedite the full implementation of this most comprehensive monitoring program.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

BUDGETARY NECESSITY, NOT ARMS CONTROL, STOPPING THE ARMS RACE

Mr. PROXMIRE. Mr. President, what is the outlook for slowing if not stopping the superpower arms race? Can arms control work? The answer is surprising. Arms control is not working. The outlook for arms control is dismal. But the arms race may slow to a halt for an entirely different reason. What, besides arms control, could begin to halt the arms race? Answer: Gramm-Rudman, not Geneva, will hold down star wars. Gramm-Rudman, not arms control, will cut the prospect of any new major initiative in U.S. strategic arms. Gramm-Rudman, not arms control, will force some serious reductions in plans for expanding the far more costly conventional arms. How about the Soviet Union? Will they not race ahead? No, they will not. Why not? Because Gorbachev recognizes that the long-term strength of the Soviet economy depends on limiting the burden of Soviet military spending in the 1980's and 1990's.

If this is so, why does it not pave the way for an arms control agreement that would serve the interests of both sides? Well there is a different answer for each of the superpowers. President Reagan bounces along under the illusion that he can persuade the Congress to comply with Gramm-Rudman his way. He would hold down nonmilitary Federal spending. He would count on exuberant economic growth, so that even with lower tax rates, revenues would rise and provide the wherewithall to fund an increasingly vigorous military buildup. So he does not want any long term arms control agreement to limit that opportunity for the United States to move well ahead of the Soviet Union militarily on land, sea, air and outer space and in conventional as well as strategic forces.

That is the Reagan dream. Arms control will not spoil it. Gramm-Rudman will. No one can predict what will happen to the economy in the long run. But in the short run every informed Member of the Congress now knows that Gramm-Rudman could force the Congress and the President to stop increased military spending dead in its tracks in fiscal year 1987 that begins next October 1, less than 6 months from now. That will certainly happen if the Congress fails to make the spending cuts the President has proposed in nonmilitary programs. Will the Congress make those cuts? No. The Congress will not make those cuts. That slowdown in military spending will certainly happen if the Congress does not on its own initiative raise taxes and pass that raise over a Presidential veto. Will the Congress do that? No, the Congress will not. So what does that leave? That leaves a simple choice between two options. Here is option No. 1: The Congress lets the Gramm-Rudman sequestering take effect. What does that do to military spending? It results in a 15- to 20-percent reduction in military spending below the base line.

How will that affect our military forces? The top officials in the Army, the Navy, the Marine Corps, and the Navy have all told the Senate Appropriations Subcommittee on Defense within the past few weeks that such reductions would be absolutely devastating for this country's national security. No arms control agreement could begin to make reductions this decisive even over a period of years. Most Members of the Congress believe this cannot happen. Will it? Well, maybe, but maybe not.

But what other option does the President have? He can sit down and negotiate with the Congress. What will come out of those negotiations? Will the Congress agree to make the reductions in domestic programs the President has called for? Mr. President, there is absolutely no way that will happen. The Congress knows that if the deadlock is not broken, Gramm-Rudman sequestering must follow. The Congress knows that the sequestering will be far better for domestic programs than the budget cuts the President has proposed. But how about the effect of Gramm-Rudman sequestering on military spending? The Congress knows that poll after poll has shown a large majority of the American people believe we are spending too much on the military now. The Congress faces an election in a few months. All this means that the President will have to negotiate with the Congress over the budget. He will negotiate from a position of considerable weakness. He will in all likelihood have to make concessions in two areas. First, he will probably have to give up any increase in real terms in military spending. He may even have to surrender part of the inflation increase necessary to prevent any cut in real spending for the military. He will also have to make a concession, probably a substantial concession, in his determination to prevent any tax increase. Even with a tax increase of tens of billions, the President will almost certainly not be able to win an increase in military spending above inflation for 1987. So arms control will not hold down American military spending in 1987. Gramm-Rudman will.

The Soviet Union obviously has no Gramm-Rudman to worry about. It has no election to worry about. But in the long run their military faces an even tougher problem. The Soviet economy is only about half the size of the American economy. Its Warsaw Pact allies have far smaller and weaker economies than our NATO allies. The longrun progress of the Soviet military under Gorbachev depends heavily on economic growth and Gorbachev knows it. He also knows that economic growth cannot progress if the already very heavy Russian military spending burden continues. So in the Soviet Union as well as in the United States the economy and the budget, not arms control, is driving the Government toward slowing the arms race very close to a halt.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the economy is on the threshold of a recordbreaking boom. This myth is made up of 90 percent hope and 10 percent fact.

Despite the lack of evidence to support this myth, it has been swallowed hook, line, and sinker by official Washington. The administration is talking confidently about gross national product, adjusted for inflation, growing by over 4 percent a year. And Congress is basing its budget on projections of real GNP growth exceeding 3 percent.

Where is the evidence to support these hopes? The most recent economic statistics have been disappointing, at best. During the last quarter of 1985, real GNP grew by only 0.7 percent at an annual rate. Unemployment remains at record levels this long into an expansion. Consumption spending is leveling off, savings are at historic lows, and the farm economy is in shambles.

Most of the euphoria comes from two factors: A fall in the price of oil and lower interest rates. Both are defi-

nite pluses for the economy. Yet even these good signs have downside risks, especially in the near-term. A decline in the price of oil poses serious problems for a financial system, which is already wobbly. Certain sections of the country, which assumed that high oil prices meant good times forever, are now suffering. And drops in interest rates could lead many foreign investors, who helped finance our staggering deficits, to pull their money out of this country. The Federal Reserve might have to respond by drawing tight the credit strings, driving up interest rates, and aborting the recovery.

We may be on the verge of a boom as the optimists contend. This Senator certainly hopes so. Prudence dictates that while we hope for good news we should base fiscal policy on facts, not euphoric myths.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MURKOWSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR MELCHER

The PRESIDING OFFICER. Under the previous order, the Senator from Montana [Mr. MELCHER] is recognized for not to exceed 5 minutes.

THE DAIRY HERD BUYOUT PLAN

Mr. MELCHER. Mr. President, part of our job here is to help Presidents. I have been here, in the House and in the Senate, about 17 years; and while my desire has been to help whoever happens to be the President, I have always found it quite difficult because the Presidents, no matter who, during those 17 years have thought they had the right idea on what you tried to advise them about. Particularly, their Cabinet members always seem to have their minds set and are not prone to ask or accept too much advice. Particularly is that true as in my case, being a member of the opposite party. But I must hasten to add that during those 17 years, the White House was occupied for only 4 years by a Democratic President, Jimmy Carter, who was not very easy to advise, either.

The case in point right now is the dairy herd buyout plan. I vigorously, in a fighting mood, opposed that proposal. Indeed, in the Senate Agriculture Committee, when it came up for a vote, it was voted down by a substantial number of the membership of that committee and was thrown in the ashcan, where it belonged. However, the dairy buyout plan was accepted in the House and passed in the House, and it became one of the items in the conference between the House and the Senate that had to be ironed out.

While the administration might want to deny now any parentage, any responsibility, for this dairy herd buyout scheme, the fact is that then Secretary of Agriculture John Block was very active, telling conferees that the plan was workable and desirable.

I sat in on several of the many meetings, small meetings of conferees who were interested in the dairy program. The principal point was what to do about the dairy herd buyout, and Jack Block was present at every one of the meetings I attended of those smaller groups.

I attended those meetings with the hope—beyond hope, to get the scheme dropped completely—but with the hope of modifying it, minimizing it, or somehow getting the bad effects of the dairy herd buyout changed in the final bill that would be adopted by the conferees and submitted to the whole Senate and House for acceptance. I was not very successful. The fact is that the only thing we were able to do—or I was able to do—was to get increased the amount of red meat that would be purchased to offset the deleterious effects that the herd buyout plan would obviously have on the beef and pork markets.

What is wrong with the dairy herd buyout plan is that, first of all, it moves in the wrong direction and absolutely pits one part of the agricultural sector against another part of the agricultural sector. It pits the dairyman against the livestock producer. That is a bad way to run the show.

What was feared by the livestock producers was that when the process began to buy out the dairy herds, the livestock markets would take a beating. That is exactly what has happened. In the livestock market, if there is on any given day 5 percent too much offered or even 3 percent too much offered for the market to absorb, the price is likely to decline at least 10 percent. If the perception is that there will be too much livestock available on the market for a period of time, even for 2 or 3 weeks, the market is likely to drop greater than 10 percent.

What has happened with the dairy herd buyout announcement and the implementation of it is that the beef market has dropped about 20 percent. That is all beef. For cows themselves—that is one category, just for slaughter cows—it is down about 30 percent. It is a fiasco. Something has to be done.

This deleterious effect on the livestock market is bad enough, to the extent that the repercussions of that are going to be heard not just by a few of us in the Senate, but by a great number of Senators, as to how bad it is. The same in the House. And it is going to reach the White House. Something has to be done about this, and done quickly.

The new Secretary of Agriculture, Richard Lyng, inherits this bad scheme. So far, it has been handled in the wrong way. Perhaps that is his fault. The announcement and the implementing of it were made in such a way that it had the most staggering, deleterious effect on the livestock markets. How it is handled from now on is going to determine whether or not the White House feels the repercussions of this in a very strong way. So I suspect that Secretary Lyng will attempt to respond very quickly.

What he did yesterday was to announce that there would be some dairy cows sold at a very attractive price south of the border, to the Mexican Government. I hope that can happen. Secretary Lyng also announced yesterday that they tried to make some arrangements for selling some of these dairy cows to Indonesia. I hope that can happen.

The Secretary also announced that they would implement the offsetting purchase of red meat on the market to go to the military exchanges, the commissaries, in Europe, or would be purchased by the U.S. Government to be used in different programs where the meat would end up abroad.

Obviously, that must happen; because if it is just going to be on the market, the Government would purchase meat for the school lunch program that it would ordinarily purchase anyway, or if the Defense Department would purchase some meat that they would ordinarily use for the kitchens of our Armed Forces or the galleys of the Navy, that would be meat they were going to purchase anyway. So it would have no beneficial effect on the market.

What we are involved in here, Mr. President, is seeking to find a solution that will minimize the harmful effects of the dairy herd buyout plan. It could come in two ways. First, a suspension of the program temporarily or a stretchout, a stall, a delay, in accepting for sale these dairy herds; or, having already made the contract with an individual dairyman, making some arrangement for that dairyman not to unload those cows on the market for slaughter for some time, in the meantime purchasing equal amounts or more of red meat, particularly beef, off the market, to offset the staggering effect that shoving these cows on the market would have in dragging the market lower.

I must point out that the reason why there are repercussions felt in the Senate and by Members of the House, and will be felt in the White House, is simply this: The beef market for cattle producers was a disaster in 1985, and

likewise so far in 1986. In 1984, it was not a profitable market for cattle producers. In 1983, it was the same situation. It was an unprofitable situation during most of the year.

So we are speaking about how we are going to minimize the effects of bad judgment on what is the largest single industry of the United States, and that is livestock. That involves a lot of people. They were hurt before. They were not in good economic shape before. Now they are clobbered again.

We cannot act fast enough. Most of the prompt action will be coming through the actions of Secretary Lyng in the Department of Agriculture. I hope he will suspend the actual marketing of these dairy cows. Those that are under contract are, after all, owned by the United States. It will cause some additional expense by the Department of Agriculture to get agreement from dairy herd owners who had contracted to sell these cows to the United States and market it themselves. To get them to hold that market is going to cost something for the Department of Agriculture, but it is the best thing to do under the circumstances; because a further deterioration of the livestock market, or even letting it stay as low as it is, is going to be very damaging for big industry and therefore very damaging to the country as a whole.

The second thing is to do as he announced yesterday: To find a home abroad for those that are marketed. The two countries I mentioned earlier are Mexico and Indonesia, and possibly there are others.

The third thing to do is to purchase more beef out of the market by Government entities at this time, so long as the beef is in addition to what normally would be purchased and so long as the beef will go out of the United States.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

UNITED STATES-MONACO RELATIONS

Mr. PRESSLER. Mr. President, I would like to share with my colleagues here in the United States Senate some interesting correspondence I have received from Prince Rainier of Monaco. Indeed, I recently had the pleasure of meeting him and his son, Prince Albert.

In an earlier Senate speech, I discussed the importance of examining the significance of smaller states, such as Monaco, to the United States. It is, therefore, very rewarding to see Prince Rainier's strong reaffirmation of the traditionally very close and friendly relationship between our two countries. Both Prince Rainier and his son, Prince Albert, and the people of Monaco are valuable friends of the American people. This is an important indication of the need for appropriate, reciprocal recognition by Americans. Good friends make good allies, and they remain friends and allies when their bonds of friendship are demonstrated—both in private and in public.

Mr. President, I ask unanimous consent that Prince Rainier's correspondence to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PALAIS DE MONACO,
April 3, 1986.

Senator LARRY PRESSLER,
Chairman, Subcommittee on European Affairs.

DEAR SENATOR PRESSLER: Thank you most kindly for your letter of February 20, 1986 concerning the project of your Subcommittee to examine the role of small European states and their relationships with the United States of America. I was also greatly interested in reading your recent Senate speech on this subject.

I regret the slight delay in submitting my comments to you on this subject of great importance. The reason is due to the fact that I wished to give this subject my undivided attention and to prepare the fullest reply possible. You will find my thoughts on this matter outlined on the enclosed document.

I would like to emphasize the importance I attach to the historic—and longstanding—ties of family, friendship and commerce which have linked our two nations. If you examine the diplomatic record of these relations in detail, I think that you will conclude that there has been much gained by both nations. In spite of the size of the Principality, its reputation as a true friend of the United States can never be questioned. The overwhelming majority of my people are indeed pro-American and, as is universally known, my admiration for the American people and nation could never be questioned either.

My only regret, at this moment of our relationship, is the fact that the White House has apparently seen fit to remove its diplomatic mission in Nice/Monaco and transfer the seat to Marseille. I have attempted to outline my feelings on this subject in the attached document. I would like you to be aware, however, that I consider such a move to be false fiscal economy. Such an action will, in my opinion, save no money for the U.S. Government, but may indeed increase expenditures as the staff in Marseille would, of necessity, have to be augmented while travel time and money would have to increase in order to get from one end of the Riviera to the other. Such a diplomatic relationship, conducted from long distance, will never equal the actual situation of having a professional United States diplomat on the spot.

Should you have any questions regarding the attached document or if I could provide your Subcommittee with any additional information, please do not hesitate to ask. I would be pleased to receive any member of your Subcommittee in the Principality, should the need arise.

With best wishes,
Sincerely,

——— ———.

RELATIONS BETWEEN THE PRINCIPALITY OF MONACO AND THE UNITED STATES OF AMERICA

QUALITY OF MONACO'S RELATIONS WITH THE UNITED STATES

For several generations, diplomatic relations between the Principality and the United States of America have been most cordial and fruitful. According to our records, a United States Consular Agency, under the jurisdiction of the American Consulate in Nice, was maintained in the Principality of Monaco for a total of 32 years—from 1874 to 1906. One officer, Emile de Loth, a French citizen, was the sole agent in charge of the Agency from its opening to its closing. In 1927, the Department of State proposed that American Consular Officers accredited to the Alpes Maritimes also be accredited to the Principality of Monaco—with the Consulate being located in the City of Nice, France. As your committee on Foreign Relations is no doubt aware, the Consulate in Nice was closed under the Carter Administration and reopened again under President Reagan. I have recently been informed that the Consulate in Nice will once again be closed in the near future and the consular jurisdiction will be returned to the Consulate General in Marseille. This news of the closing of the Nice Consulate is very distressing for me personally because I fully realize the inconvenience it will cause for those American citizens residing permanently in the Principality, as well as the thousands who annually visit my Country. In my opinion, the Consulate General based in Marseille, France, is too far away to handle those matters which are presently the responsibility of the American Consul in Nice. For your information, Marseille is a 300-kilometer trip from the Principality.

For the past several generations, close and intimate ties have existed between our nations. Several Americans have taken up permanent residence in the Principality—some 500, that is—while thousands of American tourists spend a week or more each year in my Country. According to last estimates, over 150,000 American citizen tourists annually visit the Côte d'Azur. In view of the high volume of consular services provided by the Consulate at Nice, I fail to understand how such emergencies can be taken care of by a Consulate so distant as Marseille. The hardship would incovenience not only American citizens but also those Monègasques and French citizens who require visa services. It is obvious the Consular General in Marseille would experience great difficulty in providing the necessary services in Nice and Monaco—especially during the very active tourist months of June, July and August. I would like to call to the attention of the European Affairs Subcommittee of the United States Committee on Foreign Relations that the Principality of Monaco is a member of 12 international bodies, among which are Intelsat, the International Hydrographic Union and UNESCO. My Ministry of State has, on a number of occasions, cooperated intimately with the Government of the United States—especially when crucial votes are involved in an International Meeting. Although I have been more than pleased to fully cooperate whenever a request for assistance is received from the Government of the United States, I am

presently most concerned and disappointed to learn the United States of America will no longer be represented in the Principality from Nice.

COMMERCIAL INTERESTS

As your Subcommittee may be aware, I have expended great efforts in recent years to attract American commercial interests to the Principality. This has proven to be a most successful venture and, at present, we now have many American financial investments in Monaco. This expansion of American commercial interests has also increased the number of American citizens residing here on a permanent basis. The local business community has, of course, come to rely heavily on the American Consulate in Nice for support.

THE U.S. NAVAL PRESENCE

Monaco has remained, for several decades, a favorite port of call for the United States 6th Fleet in the Mediterranean. The port of Monaco, as well as several official entities in the Principality, have always worked very hard to assure full support is provided to the Fleet in the form of liaison with the Monégasque Government as well as civil authorities, to assure successful fleet visits. I welcome the visits of the 6th Fleet ships to Monaco and I sincerely hope they continue. This is one additonal evidence of the very strong ties which bind our two nations.

TREATIES WITH THE UNITED STATES

At present, I am unaware of any specific treaties between the Princiaplity and the United States of America, which need updating or possible changes.

RECOMMENDATIONS ON THE ENHANCEMENT OF MONACO'S RELATIONS WITH THE UNITED STATES

I cannot emphasize strongly enough my personal doubt that a Consulate General based in Marseille could ever maintain the permanent contacts with members of my Government and all of the participants of several international conferences who meet in the Principality throughout the year. The closing of the Nice Consulate would, in my opinion, seriously damage the image of the United States of America in this part of the world. From my personal acquaintance with many principal officers at your Consulate General in Nice, I know for a fact that important political, economic and commercial contacts—which have been greatly beneficial to the United States Government—have been in the Principality of Monaco. I am of the personal opinion much would be lost if the United States continued with its plan to close its diplomatic representation in the Principality. As a chief of State, I fully realize the difficulties a Government faces today in managing its resources more effectively and the need to centralize work in diplomatic missions abroad. Even in an area of fiscal constraints, I wish to emphasize that I consider such a decison to be a case of false economy. I have never been convinced that an adequate level of diplomatic services could be provided to the Principality from the American Consulate General in Marseille and, indeed, it appears to me that by eliminating the Consulate General in Nice, the United States is sending a signal of lessening of interests in this area of the world. I sincerely hope my impression is untrue.

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A CLEAN ENVIRONMENT AND A PROSPEROUS ECONOMY: CAN WE HAVE BOTH?

Mr. SIMON. Mr. President, a former Member of this body, Senator Gaylord Nelson of Wisconsin, now serves as counselor of the Wilderness Society of this country.

Recently, he gave a speech at Michigan State University in which he urges us to pay attention to our environment and safeguard it for the future.

Gaylord Nelson was never known for mincing words and letting anyone be uncertain as to what his position was.

This speech is no exception.

I urge my colleagues in the Senate and the House to read his remarks, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A CLEAN ENVIRONMENT AND A PROSPEROUS ECONOMY: CAN WE HAVE BOTH?

(By Gaylord Nelson)

I once introduced the late Adlai Stevenson at a dinner in Milwaukee. He opened his remarks saying, "I am the speaker—you are the audience. It is my responsibility to speak, and it is your responsibility to listen. However, if you finish listening before I finish speaking, you are, of course, free to get up and leave."

I shall endeavor to finish speaking before you finish listening. If I fail, I am sure you won't hesitate to exercise your constitutional options.

Out of some thirty-two years in public office, I did finally learn that in public speaking, there is at least one rule that is worthwhile to keep in mind. It is this—never speak to a group of experts about their own field of expertise. Don't talk to dairy farmers about dairying, doctors about medicine, foresters about forestry, or snake charmers about charming snakes.

That is precisely the advice Prime Minister Disraeli gave to a member of Parliament more than 100 years ago who asked whether Disraeli thought it advisable for him to participate in the debate.

Disraeli charmingly replied saying, "I don't think you had better enter this debate. It would be better if the House of Commons were to wonder why you did not speak than why you did." Having said that, I am now about to break that rule and speak on environment, resource and conservation issues to an audience that includes a whole host of authorities with considerable expertise in ecology life systems, resource and environmental issues. Nonetheless, I am willing to risk expression of a viewpoint on these complicated matters knowing, as do you, that our understanding of the environment and the tens of millions of living things that are a part of it is miniscule compared to what we do not know. So we are all in a situation of what might be described as shared ignorance. It's just a question of degree.

Over a period of some four decades, I have particularly concerned myself with environmental and resource issues. Early on I realized the more I learned, the less I knew. This is so because the subject matter is all-encompassing. It is the air, the water, the soil, the forests, the oceans, the rivers, all living things in the seas, on the land, the relationship and influence of each on the others, plus economics, politics, philosophy and more. So, obviously, we will never know or understand more than a small bit about the endless intricacies of nature's works and how the world habitat is affected by it all. Nevertheless, we can learn and understand the general principles that should guide our conduct as a society if we are to preserve a liveable habitat. The overall general guiding principle can be stated in many ways. The proposition is, quite simply, that we must conduct our activities in such a way as to protect the integrity of the ecosystem and its resources which sustain life and determine its physical quality.

Obviously it is easier to state that proposition than it is to practice what we preach in this highly industrialized society which produces waste products capable of destroying the ecosystem that sustains us. Indeed, in the process of producing those goods our society seems to desire, we are degrading and endangering the fabric of our life systems in manifold and increasingly dangerous ways.

There are, of course, powerful forces in the country who do not believe the problem is serious, and therefore the environmental laws and standards are unnecessary and should not be enforced. There are others who think we cannot afford a clean environment, and, there are those who oppose any governmental interference in the market place at any time, under any circumstances. They believe the free market place, good intentions and competition will somehow resolve this problem along with all others in due time. This is the Supply Side School. They believe their formula is applicable to all problems and they are a force to be reckoned with in this Administration.

They proclaim, for instance, that their supply-side, self-help, free market, do-it-yourself environmentalism will work if we will all just calm down and give it a chance for a decade or two. If, for example, you go into the free marketplace to buy some fresh air and none is available, just hold your breath, and as the demand increases, the price will rise and the classic forces of supply and demand will take over; then there will be an abundant supply, the price will fall and even the poor people will be able to buy some. It all sounds pretty good if you don't think about it too hard.

Well, the fact is we are going to have to think about it much harder in the future than we have in the past. As we all know, our resource problems are global as well as national and thus require international cooperation on an unprecedented scale. If we are to live in harmony as passengers on the "spacecraft earth," as Adlai Stevenson once described our planet, then we must understand and cooperate with each other. We have a long way to go. At the Congress of Vienna in 1814-15, when Prince Metternich was informed that the Russian Ambassador had just dropped dead, he paused for a moment or two and then asked: "What can have been his motive?"

We ask the same question today of the Soviets that Metternich did, and they ask the same of us. Some day, and it cannot be too soon, the two superpowers must succeed in de-escalating the arms race and begin cooperation on a global basis with all other countries on the vital enterprise of better husbanding those resources which determine whether we will survive on this planet and in what condition.

If you were asked the question, "What, in the long run, is the most important issue

facing mankind on the planet?", how would you answer?

Is it:

The economy? Jobs? Free speech? Freedom of religion? Freedom in general?

Is it:

World peace? World hunger? Discrimination? Civil rights?

Is it:

The threat of nuclear war? The viability of democratic institutions?

Just what is the most important issue of all?

Well, we could probably argue all day and all night without agreeing on the list or the priorities. . . .

But if you think carefully about it, there is one issue that stands alone, above all others. Right now, at this moment in history and in the longhaul into the next century and the centuries thereafter, no other issue is more relevant to the physical quality of life for the human species than the status of our resources and the quality of our environment, air, water, soil, minerals, scenic beauty, wildlife habitat, forests, rivers, lakes, and oceans.

These resources determine quite precisely the physical condition of our lives on the planet and influence quite dramatically the human condition, spiritually, intellectually, and philosophically. There is quite simply no other issue with a more compelling entitlement to our attention and our time.

And yet, strangely, this issue which is of primary consequence for this and all future generations plays a secondary role to a multitude of other issues such as the economy, jobs, the nuclear arms race, star wars, the never ending Middle East crisis, Soviet expansionism, foreign imports and many more. These are the issues that occupy the front page, the Congress, the President, the public. These kinds of issues, of course, will always make a strong claim on our attention. The puzzling question is why an issue far more important than any of these commands far less attention?

While in the past two decades we have come some appreciable distance in our understanding and sensitivity to resource-environmental issues, we still have advanced only a few steps toward the goal we must achieve if indeed we are to forestall a disastrous degradation of the planet's resource base.

If we, as rational individuals, understand, as I think we do:

That the viability of our economic system depends upon our resource base;

That issues of war, peace, hunger and revolution are mightily influenced by the availability of resources;

That nuclear war is not inevitable but environmental disaster is inevitable unless we act in a timely fashion;

That in many corners of the earth population numbers already exceed the supply of resources necessary to sustain an acceptable quality of life;

That, indeed, our physical well-being, our standard of living, the quality of our lives is directly, specifically and tightly tied to our resources.

If all of this is so, and clearly it is, then why do we not have the foresight and the will to act collectively to meet the challenge before the damage is beyond repair?

The central core of the problem is, I think, that the various political, religious, economic and social power structures which set our goals and guide our direction have their own institutional agendas which take priority over everything else:

The political system is headed by politicians who have a short franchise. The next election is the first order of business, not the next generation or the one after.

Business and industry are primarily concerned about profits this year and next year.

Labor unions must worry about jobs today and tomorrow.

Farmers and their organizations worry about the current price of corn, soy beans, wheat, milk and the mortgage payment.

Religious institutions worry about today and the hereafter.

Educational institutions are heavily preoccupied with training their students for jobs in today's marketplace albeit they do have a broader intellectual mission which affords some hope that they will give us a new generation with a better grasp of this issue and a stronger commitment than past generations.

While the mission of these institutions as I have just described them is overly simplified, the important truth is that long-range resource issues are not a significant institutional priority for any of them.

And, unfortunately, individuals, the public, so to speak, tend to conduct themselves much like institutions in the sense that they are pre-occupied with minding the store, responding to the pressures of daily events and postponing hard decisions on pervasive long-term problems under the illusion that delay won't cost very much, that we can address the problem at some other time. So it goes from one generation to the next.

Until we understand that the problem is urgent, right today as it was yesterday and the day before; that every delay exacts a price, levies a hidden tax, imposes a cost which ultimately will impoverish us; until we understand, and believe, and are willing to act on the proposition that the highest and first priority of our society must be to preserve the integrity and viability of those ecosystems that sustain us and all other creatures; until then, we will continue to delude ourselves with the seductive notion that we are addressing the heart of the matter, when, in fact, we are merely tinkering at the periphery of the problem.

Just a little more control of air and water pollution; just a little more protection of ocean estuaries and salt marshes; saving a few hundred thousand acres of wetlands from mindless destruction; preseving a few million acres of wilderness and wildlife habitat; modest reductions in the use of herbicides and pesticides; reducing the pace of soil erosion; deploring the depletion of aquifers; cleaning up a few hazardous waste dumps while proliferating the production of new toxics; lamenting the siltation of spawning grounds while cutting the forests that protect them; and then, topping it all off by celebrating Arbor Day, is not a prescription for meeting the challenge we face. It may make us feel good, but the effort is inadequate and doomed to failure.

As we look to the decades ahead we must very soon recognize that our present-day focus on the resource issue is far too narrow and superficial. It touches only the visible tip of the iceberg. It is going to be necessary to make many jarring course corrections that will lead us in a different direction from which we have been going since the founding of the Republic. For two hundred years it has been the prevailing philosophy of this society that our resources were boundless, that we could dissipate and exploit them with lavish extravagance without end. We have uncritically assumed that the vast quantities of toxic chemicals, hazardous wastes and all other pollutants that society produces could be safely vented into the air, dumped in the oceans, lakes, marshes, rivers and on the land because nature would somehow contain or neutralize them. This, of course, was not so. Nature's capacity is limited and that capacity was exceeded in many places and in many ways quite some time ago. After many years of debate, Congress initiated some important steps to address the issue of environmental contamination by adoption of a series of historical legislative proposals. The objectives sought in these enactments have overwhelming public support in every opinion poll. We were beginning to make some progress in reducing air and water pollution under the Johnson, Nixon, Ford and Carter Administrations. So, too, in land protection under the Surface Mining Act, wilderness preservation, the Endangered Species Act, pesticide control and a beginning on hazardous wastes and toxic chemicals.

Until the Reagan Administration, we had a decade and a half of encouraging, bi-partisan support in controlling environemental contaminants. While the progress was slow, at least we were moving in the right direction.

Unfortunately, at the very time that circumstances demand a continuous and far more vigorous expansion of our address to the whole spectrum of resource issues, we have an Administration that is turning the clock back because it is either blind to the problem and ignorant of the consequences, or recklessly prepared to dissipate the resources of future generations for short-term political gain and illusory economic benefits.

The loss of time and momentum is only one of the serious damaging consequences of the President's environmental policies. Even more importantly he has trivalized a vital issue at a critical time instead of using the power and prestige of his office to galvanize the necessary public support to move our society more rapidly in the right direction. What a difference in the course of history the President could have made had he invested as much time and energy in advancing the cause of the environment as he has in pushing a tax bill that, at best, will be but a minor footnote in the long perspective of history.

Increasingly in the past half dozen years the argument is advanced that some kind of benefit cost assessment should be made before implementing any environmental enforcement procedures. Many of the proponents of such an assessment are opposed to the laws passed by Congress on the grounds that the controls are unnecessary, or too stringent or too costly. They support such an assessment because they believe it would provide ammunition in support of proposals to weaken or compromise legislative mandates. Others support such assessment because they believe that the overwhelming weight of the evidence will demonstrate that most environmental mandates need to be strengthened not weakened.

The reason the two parties reach opposite conclusions while appearing to support the same proposition is that they, in fact, are not supporting the same kind of benefit cost assessment.

Those who want to use the BCA to weaken support for environmental mandates do not include in their assessment all societal costs and benefits, only those that are easily quantifiable in current dollar costs to the polluter and measurable on the

consumer price index. In their computations they do not include the societal cost of a polluted river, a lake or forest destroyed by acid rain, an aquifer poisoned by toxic chemicals, a wildlife refuge destroyed by selenium or any one of dozens of other societal costs.

In other words, they want society as a whole to continue to shoulder the cost of environmental damage directly caused by the polluter's own activity. To permit that practice to continue is both bad environmental policy and bad economic policy.

If all costs and benefits are included, the case is clear beyond question that preserving a clean environment is a profitable investment. This argument is all part of a major proposition being advanced by environmental critics who insist that at some point soon we must make a choice between a prosperous economy and a dirty environment, or clean environment and a poor economy. A year or two ago I participated in a conference organized around the theme, "The Economy and the Environment: Need We Choose?"

Those who would dramatically weaken environmental protection claim we must, indeed, make a choice between the two. They assume the two are separable and must be addressed as discrete entities standing alone, antagonistic one to the other. They are wrong by every rational standard of measurement. I assume we are using the world's "environment" in its broadest context to include all physical resources—air, water, soil, scenic beauty, minerals, and forests. They are all part of the environment and inseparable from it. The appropriate generalization to be made, I think, is that the economy and the environment are inextricably intertwined; a degraded environment and a poor economy travel hand-in-hand. It is vital to understand that while you can have a country rich in its resources with a poor economy, you cannot have a rich economy in a country poor in its resources or its access to them. That, I assume, is axiomatic. Jeremy Rifkin recently stated the proposition simply and clearly as follows: "The ultimate balancing of budgets is not within society, but between society and nature."

Each incremental degradation of nature's resources—the air, the water, the soil, forests, scenic beauty, habitats—is quite simply a dissipation of capital assets which ultimately will be paid for by a lower standard of living and a lower quality environment.

Dozens of examples easily come to mind which demonstrate the universality of the principle involved in Mr. Rifkin's statement. One or two briefly argued make the case.

Soil, top soil, productive farm land which provides the food and fiber which sustain us. No country on earth matches our great land base of fertile soil. Our agricultural productivity is the wonder of the world.

Nonetheless, we are dissipating that land base at an alarming pace.

In the past 200 years almost one-third of our top soil has been lost by erosion.

Since 1935, millions of acres have become unproductive through soil loss.

Each year one million acres of prime farm land is taken out of production for real estate development and other purposes.

In the past half-century we have paved over an area 20,000 square miles larger than Wisconsin.

Let me quote from the Global 2000 Report:

"In the United States, for example, the Soil Conservation Service . . . has concluded that to sustain crop production indefinitely at even present levels, soil losses must be cut in half. The outlook for making such gains in the United States and elsewhere is not good."

One does not have to pause and think more than a moment or so to recognize that the implication of this situation dwarfs by comparison the importance of any other issue currently confronting us, including the economy, inflation, jobs, unbalanced budget, energy shortages, poverty, or political and military confrontations around the globe. While each of these problems, standing alone, can reasonably be managed by intelligent action, they will all be seriously exacerbated by a reduction in agricultural productivity.

Almost every week another example of the enormous cost to society of a dirty environment surfaces on the front pages of the national press. Just a few days ago The Wall Street Journal carried a front page story with the headline:

Nuclear Mess Uranium-Mill Wastes, Piled High in West, Pose Cleanup Issues

Debate is Raging Over Who Should Pay Burial Costs And When They Should

"Ecological Bombshells" Seen

The story reports, in part, as follows:

"AMBROSIA LAKE, N.M.—The visitor drives past a sign its lettering faded now, welcoming him to the heart of uranium country. But traversing an eerily silent basin guarded by honey-colored buttes, he sees only the industry's bones; abandoned mines, a shuttered mill and, overshadowing all, strange gray mesas—man-made, poisoned hills.

They are mill tailings, wastes left from uranium-ore processing, and 222 million tons of them are heaped up in 10 Western states. Mildly radioactive, they exhale gamma rays and radon gas. The wind blows dust particles off them, spreading contamination. Plumes of pollutants, including selenium and arsenic, feather out beneath them toward ground-water supplies.

A few have seriously fouled nearby areas already, and others threaten to. Randy Sabo, a former executive staffer at a now-moribund uranium producer, calls them 'ecological bombshells waiting to blow up on somebody's desk.' They now confront the West with one of the most gargantuan cleanup jobs in history.

Burial of 25 million tons of this stuff at 24 sites has begun, with the federal government paying 90% of the cost and the states 10%. But these are all so-called inactive sites, which in the industry's early years produced almost entirely for the government anyway. They had shut down and surrendered their operating licenses before 1978, when Congress ordered a tailings cleanup and told the Environmental Protection Agency to set standards for it.

But who will pay to bury the other 197 million tons, and when will they be forced to do it? A huge flap has arisen over this.

These tailings are at so-called active mill sites, those still licensed when the 1978 law was passed. Currently, companies owning them are liable for the whole cost of cleanup when their operations are clearly over. The bills could conceivably total billions of dollars. Alarmed producers, their business almost destroyed, are screaming for relief."

". . . Some idea of the extent of the whole problem can be gleaned from work on the inactive piles scattered from Tuba City, Ariz., to Spook, Wyo. They are small, but several are in or near towns or threaten to slump into rivers. Colorado alone has seven sites, with piles in or near Durango, Gunnison, Grand Junction and Rifle ranked as high health hazards."

". . . At Grand Junction, workers are jacking up houses and scraping mill tailings from beneath them. The tailings have been widely used there as construction fill and have contaminated 4,500 properties. Another 1,000 sites elsewhere in the nation will have to be cleaned up, too.

At Salt Lake, a pile in a populated area has polluted an aquifer and homes and businesses around it. So every day, a 100-car train takes 10,000 tons of it to a remote spot near Clive, Utah for burial."

" . . . Also, no one knows how much it would cost to stabilize the active piles; estimates range up to a maximum $4.4 billion projected by the Energy Department, based on its work with the old sites."

" . . . In the most serious incident, in 1979, a United Nuclear Corp. pile near Church Rock, N.M., partially collapsed, dumping toxic and radioactive wastes into the Puerco River and degrading it all the way into Arizona. Radioactivity was detected in animals watered by the river, and wells near the pile showed alarming concentrations of thorium 230, a dangerous isotope."

The Journal story further states that the producers of the uranium waste now raise the fairness issue:

"They note that the cleanup standards that they now must meet, finally issued by EPA in 1983, were unanticipated years ago; so, they say the price they charged for uranium never reflected the financial burden that government has suddenly dropped on them."

That's hardly a convincing argument. They were certainly aware that the wastes were radioactive and contained other toxics such as selenium and arsenic. If not they, who did they think should be responsible for protecting the aquifers, rivers, soil and the public health from the pollutants they produce in their own commercial activities?

Any benefit-cost assessment that leaves this factor out of the equation so distorts the result as to make such an assessment meaningless.

There continues to be a national controversy over the Clean Air Act and appropriations for waste management treatment facilities. The Administration would like to weaken these statutes and cut appropriations.

Just what do we mean by clean air and clean water? What general principles should guide us in setting air and water quality standards? It would seem obvious that standards must be set at a level that will assure that air or water pollution will not impair health or result in any significant adverse ecological damage. We are a long way from achieving that standard.

"Will it cost too much to achieve that standard?" That is the way the question is usually formed. The proper way to test the question is to ask, "How much will it cost society not to meet that standard?" The answer is that we can pay the cost of meeting the standard, but there is no way for future generations to pay for our failure.

All across the nation, fresh water lakes are being sterilized, made lifeless, by acid rain caused by sulphur oxides from burning fossil fuel and nitrogen oxides from auto emissions. Some three hundred lakes have been rendered sterile in New York, and thousands of others are being degraded in Canada, the Rocky Mountains, Wisconsin, Minnesota, Michigan and elsewhere.

Can anyone tell us what the monumental economic and recreation loss to the nation will be unless we move now to save our lakes from acid rain?

What is the economic value of the protein sources in the oceans and the water in our rivers? If we continue to destroy the salt water marshes and pollute the estuaries and the shallow waters of the continental shelf which provide the breeding habitat of most marine creatures, we ultimately will destroy the productivity of the oceans. Has that been factored into the economic equation in the debate over clean water standards? The answer is, no, it has not.

Is it not cheaper to clean up the Mississippi River and keep it clean than to leave it dirty so that every city, every municipality and every industry from Minneapolis to the Gulf of Mexico takes out dirty water, launders it and returns it polluted again?

These and one hundred other questions can be asked and every time the answer will be that it is far better for the economy and cheaper to maintain a clean environment than a dirty one.

In the short run, some very modest temporary benefit to the economy might result from relaxed air and water quality standards, but it would be dangerous and enormously expensive. If we do that, it simply means we are borrowing capital from future generations and counting it on the profit side of the ledger.

Quite apart from the ethical questions involved, there is simply no way that a future generation could replace the capital we borrow from them because we cannot restore a polluted ocean or a polluted lake.

The ultimate test of man's conscience is his willingness to sacrifice something today for a future generation whose words of thanks will never be heard.

LEADING CONSERVATIONISTS HONORED IN PENNSYLVANIA

Mr. SPECTER. Mr. President, later this month, on April 25, 1986, the Pennsylvania Wildlife Federation will gather in Hershey, PA, to honor the outstanding conservationists in Pennsylvania. It gives me great pleasure to inform my colleagues of the recipients of these distinguished awards.

The Wildlife Federation, the educational arm of the Pennsylvania Federation of Sportsmens' Clubs, will present these honors at their second annual awards banquet. In all, nine individuals or organizations will be honored for their exemplary work in the past year, including: The leading Pennsylvania Conservationist, Mr. Larry J. Schweiger; the year's Conservation Professional, Mr. Gary L. Alt; the finest Conservation Organization, the Pennsylvania Forestry Association; the Conservation Classroom Educator of the Year, Mr. William R. Einsig; the finest General Conservation Educator, Mr. Louis Ritrovato; the year's Conservation Communicator, Ms. Susan Q. Stranahan; the Conservation Legislator of the Year, State Senator Roy W. Wilt; the finest Youth Conservation Group, Butler County Explorer Post No. 100; and the Special Industry and Business Conservation Award to P.H. Glatfelter Paper & Pulp Wood Co.

I am pleased to be able to share my enthusiasm for the accomplishments of all the federation's honorees. As we approach the 21st century, it is essential that on the Federal, State and local levels we continue to focus on the environmental integrity of our Nation. The efforts of those honored by the Pennsylvania Wildlife Federation will encourage expanded emphasis on the vital need for conservation, and I look forward to working with them to achieve this goal.

DEATH OF HON. H. CARL MOULTRIE I

Mr. MATHIAS. Mr. President, it was with sorrow that I learned yesterday morning of the death of the Honorable H. Carl Moultrie I, chief judge of the Superior Court of the District of Columbia. Appointed to the superior court by President Nixon in 1972, Judge Moultrie was an untiring jurist, not only carrying a full trial calendar, but effectively and efficiently administering the court on a day to day basis. His service to the people of the District of Columbia on the trial court and in his civic involvements will long be remembered.

Mr. President, I ask unanimous consent that an article from today's Washington Post detailing Judge Moultrie's life be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUPERIOR COURT'S JUDGE MOULTRIE DIES OF CANCER

(By Elsa Walsh)

H. Carl Moultrie I, 71, the chief judge of D.C. Superior Court, a jurist who put more faith in stiff sentences than in rehabilitation and a widely respected civil rights and community leader who was president of the D.C. branch of the NAACP during the 1968 riots, died of cancer yesterday at the Washington Hospital Center.

Judge Moultrie announced to his colleagues in February that he had inoperable cancer, but that he had no intention of giving up his work. His last day in his chambers was March 25.

Judge George H. Goodrich, the court's senior acting judge, was named acting chief judge until a permanent replacement can be selected.

A former newspaperman, social worker and housing official in Wilmington, N.C., Moultrie came to Washington in 1948 as the national executive secretary of Omega Psi Phi, a noted black fraternity. He studied law at Georgetown University at night and in 1956, at age of 41, received his degree. While continuing his work with the fraternity—he remained executive secretary until 1972—he joined the law firm of Cobb, Hayes, & Windsor.

As a lawyer he distinguished himself by filing the first police brutality suit against the D.C. police department. As was the case with most black lawyers at that time, much of his courtroom work was for little or no pay.

He also immersed himself in civic activities and over the years held positions of increasing responsibility in areas ranging from health and welfare to the provision of legal services. He became a mentor to a generation of younger black leaders, including Marion Barry, Walter E. Fauntroy and Jesse Jackson, who stayed at Moultrie's house on the eve of the 1963 March on Washington that was led by the Rev. Martin Luther King Jr.

In 1964, Moultrie became president of the local NAACP and he held that post in 1968 when rioters torched and looted parts of the city in the aftermath of King's assassination. With then-Mayor Walter E. Washington he rode through the riot areas trying to calm the situation. Later that year, he played an important behind-the-scenes role, helping to feed the participants in the Poor Peoples March who camped on the Mall.

In 1972, President Nixon appointed him a judge at D.C. Superior Court. The court had come into being only in the previous year, replacing the D.C. Court of General Sessions. Its purpose was to serve the citizens of the District of Columbia as a state court, taking over from the U.S. District Court such functions as the trail of felonies and major civil cases, the probation of wills and other functions.

Judge Moultrie was part of this process. In 1978, he succeeded Harold H. Greene as chief judge when Greene was made a judge of the U.S. District Court.

A pressing priority was the court's backlog of cases. As a way to alleviate it, Moultrie initiated several mediation programs that serve as alternatives to full trials. He expanded the number of hearing commissioners from one to 10. These officials handle preliminary hearings, arraignments and other matters that used to fall to judges.

Moreover, Moultrie is credited with furthering opportunities in the court system for minorities, women and younger lawyers and judges. His tall, lean figure with a puff of white hair and wire-rimmed glasses often could be seen in the hallways and on the escalators, talking to attorneys and court officials.

In the process, the judge became for many the embodiment of Superior Court. Most judges began their work yesterday by asking for a moment of silence, and the courthouse closed early out of respect for him.

Apart from his administrative duties, Moultrie had a full trial calendar. He presided over some of the city's most celebrated cases, including that of Bernard Welch, the murderer of Washington cardiologist Michael Halberstam.

It was as a trial judge that he gave heavy sentences. In an interview in February, he said the young defendants appearing before him seemed to be hardened criminals with scant prospect of rehabilitation. He almost always gave them maximum sentences.

"He's just a criminal," he said of young offenders. "He's just damn mean. They don't give a damn. Your life to them is nothing. I would like to see the death penalty. I would use it."

For defendants over 30, however, Judge Moultrie had greater hopes of rehabilitation and was less severe. "Theirs is a one-time act," he said.

In a controversial decision in 1985, he sentenced Edward Strothers, 54, to 365 days of weekends in prison after Strothers pleaded guilty to murdering his girlfriend while her grandmother looked on. He also ordered Strothers to make payments to the victim's

6-year-old daughter and to take out a life insurance policy in her behalf.

"I had only one thing in mind: to see what could be done for the decedent's daughter," Moultrie said in an interview. "I have no qualms about putting people in jail. In fact, it's the easiest, least controversial thing to do. I could have put this man in prison and let the citizens take care of him for the rest of his life. But what good would that do the child?"

Mayor Barry yesterday ordered flags on city buildings flown at half staff in honor of Moultrie. He released a statement that said: "His legal acumen, his judicial temper and his long and successful efforts as the leader of our Superior Court will forever remain a monument to this great lawyer, jurist and public servant."

U.S. Attorney Joseph diGenova said Moultrie reminded him of Socrates' idea of a good judge: "To hear courteously, to answer wisely, to consider soberly, and to decide impartially."

Moultrie was born in Charleston, S.C., April 3, 1915. His parents were the Rev. William Edward and Annie Moultrie. For reasons lost in time, his childhood nickname was "Dick Tracy." He graduated from Lincoln University in 1936 and also studied theology there. He received a master's degree at New York University in 1952.

After Lincoln, he moved to Wilmington, N.C., where he was a newspaper reporter and worked at a boy's club. From 1941 to 1949, he headed the Hillcrest Housing Project in Wilmington. He then moved to Washington to work for Omega Psi Phi.

A resident of Washington, he is survived by his wife, Sara; a son, Dr. H. Carl Moultrie II of Valparaiso, Ind., and two grandchildren.

In the interview he gave in February, Moultrie said: "There are so many things that still need to be done. And you think, you think in terms that it could be a space of months that you are no longer involved. That's very frightening, very frightening. But you learn to live with it."

COUNCIL ON HEMISPHERIC AFFAIRS SITUATION 1985 CHILE ANNUAL HUMAN RIGHTS RECORD

Mr. KENNEDY. Mr. President, last summer the Government of Chile finally lifted its 7-month state of seige, and the United States promptly resumed its support for international loans to Chile. This action was taken despite protests from human rights groups in the United States, in Chile, and from Members of this body.

The lifting of the state of seige last year did not end the Pinochet regime's brutal oppression of its population. That Government still retains the de jure right to continue systematically repressing and terrorizing the Chilean population.

And in fact, the human rights record is just as bad today as it was during the state of emergency. U.S. law clearly states that the U.S. representative to multilateral institutions should not support loans to governments which engage in a pattern of gross human rights abuse. Yet the U.S. World Bank Executive Director has voted in favor of millions of dollars in loans to the Pinochet dictatorship since the lifting of the state of seige, and a record $909 million during 1985.

Last January I visited Chile and met with opposition leaders committed to a restoration of democracy in that country. I also met with victims of human rights abuses who told me of the brutal methods of intimidation, torture, and murder perpetuated by Pinochet and his military supporters.

I direct my colleagues to a recent report on the human rights situation in Chile compiled by the Council on Hemispheric Affairs, one of our Nation's most respected bodies of scholars and policymakers. Contrary to claims by members of the Reagan administration that the Pinochet government is making progress on human rights, the report's findings indicate that there was no improvement in Chile over the last year.

As the report states, "Abuses in the country occurred on such a broad scale throughout the year that Pinochet's human rights record ranks Chile as the worst violator in South America and one of the poorest in the hemisphere."

I have asked Treasury Secretary Baker to reconsider our Government's decision last summer to resume support for international loans to Chile. It is my hope that he and my colleagues in the Senate will take the time to read the Council's report.

Mr. President, I ask that the report may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CHILE: WORST VIOLATOR IN SOUTH AMERICA

Human rights conditions in Chile, which had gravely deteriorated in 1984, remained at least as poor if not worse in 1985 despite the lifting June 16 of the seven-month old state of siege. Abuses in the country occurred on such a broad scale throughout the year that Pinochet's rights record ranks Chile as the worst violator in South America and one of the poorest in the hemisphere. A December 10 report by the Chilean Human Rights Commission counted 169 banishments, 7,518 political detentions, and 61 deaths at the hands of security forces. Further figures compile an indicting litany of torture, harassment, threats, and censorship. In addition, Chilean dictator Gen. Augusto Pinochet's rejection of the National Accord, a loose but comprehensive coalition of leftist, rightist and centrist political groups brought together by the country's Cardinal Primate and committed to a peaceful transition to civilian rule, make clear his intention not to follow the lead of many of his South American neighbors in moving towards democratization.

Though the lifting of the state of siege at mid-year was, in itself, taken by the Reagan administration as sufficient proof of improvement in human rights to justify the United States voting in favor of international loans to Chile in June, repression in the second half of the year continued to be widespread. Even without the state of siege, other states of legal exception, particularly the state of emergency, guarantee the authorities broad discretion to violate civil rights, though mere suspension of civil rights pales in view of the torture, intimidation, and murder attributed to security forces and anti-communist paramilitary groups.

One disturbing developoment has been the emergence in the last year of the clandestine right-wing group the Chilean Anti-Communist Action (ACHA), which has intimidated and threatened church and human rights activists and students, and is responsible for some bombings and kidnapings as well. But most abductions, some of which involve rape, beatings, slashings, or inflicting burns, are invariably carried out by unidentified armed civilians, who are generally believed to be connected to the security forces because of the similarity of methods, the impunity with which they operate, and use of "safehouses" to interrogate or torture victims. A direct connection was established between the ACHA and military personnel in at least one case in Oct. 1984 in which ACHA pamphlets were found at the scene when an army lieutenant was killed while placing a bomb in a church.

Students, teachers, human rights activists and labor leaders have been particularly victimized. Demonstrations were routinely broken up with water cannons, tear gas, and demonstrators arrested, beaten, and in some cases killed by National Information Center (CNI) or Carabinero personnel. Killing prisoners by staging "shootouts" with police has been a frequent technique since the onset of Pinochet's rule, and human rights groups in Chile include "supposed shootouts" as a subcategory in their statistics.

Repression of students and campus groups has been a hall mark of the regime since it seized power in 1973. Early this year, members of the Student Association of the University of Chile (FECH), who were working on community projects in several poor neighborhoods were arrested by police. On the second such occasion February 8, 240 students were held for two days during which time they were beaten and forced to do strenuous exercises which led to the death of one student, Patricio Manzano, due to cardiac failure. At the student's funeral, the vice-president of FECH, Gonzalo Rovira, was arrested and banished to a remote concentration camp. In March, five leaders of the national teachers' union were kidnapped, tortured and interrogated by armed civilians. Numerous other arrests and killings of students occurred throughout the year, particularly in the fall when the incidence of student protests and antigovernment demonstration was greater.

Church leaders, who are often considered subversive by the nature of the office that they hold, also were frequently threatened. In one case a priest, Manuel Heiva, was actually beaten, in many others priests or their parishioners were threatened or abducted, and in some cases crosses were cut or burned into victims. Maria Vilicic Wallberg, a worker with the Pastoral Youth Vicarate, was the victim of such an attack in August in which two men attacked her and carved three crosses on her breasts and chest as a warning to Pedro Montiel, an official of the vicarate.

A number of incidents occurred of death threats against prosecutors and judges involved in politically sensitive cases, and included the intimidaton of family members. In a case similar to the attack on Vilicic, Mirta Navarrote, the wife of a court secretary working with Judge Jose Martinez in the investigation of a suicide of a prisoner thought to have actually been staged by

police to cover up the true circumstances of his death, was assaulted June 21 and had a cross slashed into her breast as a warning against pursuing the case. She was attacked again in July and had another cross cut into her forehead.

Numerous other persons directly or indirectly related to human rights work were subject to intimidating attacks, on several occasions against the offices of rights organizations themselves.

1985 was also a bad year for press freedoms, though it should be mentioned that the lifting of the state of siege did allow six publications which had been banned to reopen. In February, a dozen plainclothes policemen, carrying a search warrant issued by the Interior Ministry, raided the offices of the Chilean Journalist Association and seized the latest edition of the journalists' newsletter. Raids on two publishing houses (one by the CNI), and various detentions of journalists, also contributed to a poor press situation. On Dec. 4, Rev. Renato Hevia, a Jesuit priest and editor of the magazine Mensaje, was arrested for violating the State Security Law by criticizing the Pinochet regime and publishing allegations of human rights abuses. Though freed Dec. 19, other individuals accused of similar infractions faced possible 10-year sentences if found quilty.

Labor unions were also a favorite target of the regime. On some occasions, union offices were raided and their leaders detained in the raids, picked up in connection with their fomenting public demonstration, or banished to internal exile. In addition to its normal strike activities, labor has paid dearly, along with students, for its role in protests against specific murders and abductions, "Day for Life" protests against the regime, and demonstrations in commemoration of May Day, former socialist president Salvador Allende's birthday and election, and other occasions.

A rising tide of demonstrations climaxed with huge National Day of Protest held Sept. 4, in which ten demonstrators and bystanders were killed and over 1,000 arrested in connection with the street manifestations. Pinochet's brutal response to the day of protests provoked a rash of other actions creating widespread disturbances in October and November as well. Dozens of opposition and union leaders were arrested for instigating the unrest, although most have since been released.

The reinstatement Dec. 9 of nine of the fourteen Carabineros accused of the March killings of a sociologist, a teacher, and an illustrator who were members of the Communist party, was a major setback for hopes that there would be successful prosecution in the case. The three victims had been arrested by the Carabineros and were found two days later near the road to the airport with their throats slashed and bearing signs of torture. The brutality and openness of the incident sparked outrage in the country and led to a rash of resignation in the security forces. But much of the early success of Judge Jose Canovas Robies' investigation into the case seems due to a rivalry between the Carabineros and the CNI which prompted the latter to cooperate in the prosecution of the case, and hopes for further action in this and other cases against police which arose in its wake, has dimmed with the acquittal of the nine accused Carabineros.

When eleven opposition parties, with the coordination of Santiago Cardinal Juan Francisco Fresno, signed the "National Accord for the Transition to Democracy" August 25, it was considered a watershed in Chilean politics. The accord disavows violence as a means of transition, does not include the participation of the Communist party, and does not call for broad-ranging human rights trials such as occurred in Argentina.

But the same broad representation which makes the agreement unique also limits its cohesion, and Pinochet has ridiculed the accord and dismissed any possibility of ending his own presidency before the 1989 deadline for elections originally stipulated in the 1980 constitution, nor of ending military rule even beyond that year. The all too familiar pattern experienced in Chile this year was that of limited freedoms generating greater opposition, that in turn provokes greater repression rather than the further development of a political opening in the country.

SALT STRENGTHENS AMERICAN SECURITY

Mr. BUMPERS. Mr. President, the President, and the country, are facing a critically important decision in the next few weeks. We have two choices. One is to continue to stay within the limits of the unratified SALT II Treaty II, and thereby force the Soviets to continue to dismantle hundreds of nuclear-tipped missiles over the next few years. The other choice is to violate those limits, and thereby condemn the world to an accelerated nuclear arms race where there are absolutely no limits at all on the deployment of offensive strategic nuclear weapons. To me the choice is clear: SALT strengthens American security, so we should stay with it until we get something better. I am pleased that a total of 52 Senators have agreed and so stated their views in a letter to the President yesterday, and I hope that more Senators will do the same.

This issue is timely because in May, our eighth Trident submarine, with 192 warheads on 24 missiles, will go to sea. This will put us 22 over the SALT II limit of 1,200 multiple warhead missiles unless we dismantle two older submarines, each with 16 missiles. Not surprisingly, some administration officials with a record of unrelenting hostility toward arms control are pushing for the United States to junk SALT and not dismantle the two subs. This would end all limits on offensive nuclear arms and trigger an acceleration of the arms race in several directions. In return, we would increase our missile forces by just 2 percent and get an extra 4 to 5 years of service from the subs, after which they would be scrapped anyway because they would hit their 30-year life limit.

This administration has so far wisely chosen to stay within the limits of SALT. It even went so far last June as to decide to dismantle a Poseidon submarine when our seventh Trident went to sea. However, reports are that the President is less likley to repeat that very statesmanlike decision this time around. I hope those reports prove wrong.

It is important to focus on what we get out of SALT. One of the great untold stories of SALT is that it has forced the Soviets to dismantle over 500 operational missiles and bombers, yet has forced us to dismantle only 16. Through the end of 1987, it will force the Soviets to dismantle 5 times as many missiles as us, 300 to about 60.

If we drop our policy of abiding by SALT, the Soviets will not have to make any of these reductions. Furthermore, they would be free to add up to 20 more warheads on each of their 308 SS-18 ICBM's, adding over 6,000 warheads to their totals. Without SALT, they could build even more SS-18's. They could easily exceed the SALT II limit of 820 MIRVed ICBM launchers—since they now have 818—and are getting ready to deploy their new MIRVed SS-24 this year.

The major increase in Soviet nuclear forces brought on by a breakdown of SALT would weaken U.S. security. It would pose an important and growing threat to the survivability of U.S. ICBM's, submarines, and bombers. It would increase the difficulty of the President's strategic defense initiative by increasing the number of missiles and warheads that SDI would need to defend against. And in this Gramm-Rudman environment, violating SALT would cause us to take money away from conventional forces and shovel still more into nuclear weapons. It's not surprising that the Joint Chiefs are reported to favor staying with SALT II.

Some say that because the Soviets have violated some of SALT's provisions we should junk the treaty.

We should ask three questions: First, are the Soviets in violation? The answer is yes. Second, are the violations sufficient to alter the strategic balance? The answer is clearly no. Third, if not, is our interest well served by continuing our no undercut policy? The answer is clearly yes.

The Senate has spoken out clearly and convincingly on several occasions for maintaining our current SALT policy. In 1984 the Senate accepted our amendment supporting SALT by a vote of 82 to 17. Last year the Senate again approved our SALT amendment by a vote of 90 to 5. And again last year, the Senate rejected by a vote of 79 to 17 an attempt by SALT opponents to overturn the President's wise decision to dismantle a Poseidon submarine.

Our allies strongly support our current SALT policy. Every one of our NATO allies endorsed SALT II back in 1979, and they continue to do so today. In the words of Hans-Dietrich Genscher, West Germany's foreign minister:

We supported the United States sentiment of commitment to the SALT II treaty, although it was never ratified. Because it is very difficult to make new agreements in arms control, it is all the more important to most carefully preserve existing treaties and adhere to them.

Rejecting SALT now, before we have a new strategic arms agreement in place, would be a body blow to the NATO Alliance, and would give the Soviets a propaganda field day in Europe.

Some in the administration are proposing that we drydock the two submarines; that is, inactivate them for a year to put pressure on the Soviets. While some see this as a compromise position, the record was set straight when a senior State Department official, when asked if this would be a violation, said "Drydocking? Yes, it would." There is no doubt we would label such behavior by the Soviets as a violation. We would just be inviting the Soviets to drydock the submarines and ICBM silos they would otherwise dismantle. And while it would take about 3 years before we could return our subs to service, the Soviets could reactivate their ICBM silos in a matter of days. The drydocking ploy thus favors the Soviets numerically—300 versus 60—and qualitatively as well.

As President Reagan so wisely said last June:

Despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva.

I am pleased that so many of our Senate colleagues have joined us in reinforcing the message the Senate sent last year: For the sake of vital United States and NATO security interests, and to force the Soviets to continue dismantling hundreds more missiles, Mr. President, please stay within the SALT limits and dismantle the 2 submarines, or 22 Minuteman III's next month.

Mr. LEAHY. Mr. President, yesterday a bipartisan majority of the U.S. Senate—52 Senators in all—wrote to President Reagan to urge him to continue his "no undercut" policy of interim restraint with regard to existing offensive strategic arms agreements.

As many of my colleagues know, the sea trials of the eighth Trident submarine, the U.S.S. *Nevada*, scheduled to occur on May 20, 1986, will require the President to decide whether or not to dismantle existing strategic launchers in our nuclear arsenal in order for the United States to remain within the MIRV'd launcher ceilings imposed by the unratified SALT II Treaty.

Specifically, unless the President orders the dismantling of the launchers of two Poseidon submarines or an appropriate number of Minuteman ICBM launchers, the United States will violate the SALT II Treaty by exceeding the 1,200 subceiling on launchers of MIRV'd ICBM's and SLBM's.

Our letter to the President is a reflection of the strong feeling in the Senate that scrapping the no undercut policy would not serve U.S. national security interests, would damage relations with our NATO allies, and probably destroy any chances for arms control for the rest of his administration.

Mr. President, the no undercut policy has been overwhelmingly endorsed by the U.S. Senate on two previous occasions when Senators BUMPERS, CHAFEE, HEINZ and I offered amendments to the fiscal year 1985 and fiscal year 1986 Department of Defense authorization bills. After the Senate voted 90-5 for our amendment last year, President Reagan stated on June 10, 1985: "It remains in our national interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue * * * the ongoing negotiation in Geneva."

Surely, the President realized—as we do—that, without the SALT limits, the Soviets are capable of producing strategic weapons faster than the United States, at least in the short term. Anyone who takes the trouble to learn the facts knows the no undercut policy constrains the growth of Soviet strategic forces, and at least through 1987 requires the Soviets to dismantle more strategic systems than the United States.

A fierce debate over the no undercut policy is raging in the administration. Evidently, some in the administration are leaning toward drydocking or mothballing the two Poseidon submarines instead of removing their launchers. If that is what the President finally decides, it will, in my judgment, endanger the hopes for a summit, undermine the Geneva arms talks, and probably lead to a collapse of the mutual observance of the key SALT numerical limits.

My colleagues and I are very concerned about the administration's charges of Soviet arms control violations. Yet, none of the alleged violations either alone or collectively significantly alter the strategic balance. The way to address our legitimate concerns about Soviet compliance is through confidential, nonpolemical discussions in the SALT Standing Consultative Commission in Geneva. It is clear to me that the administration has not made serious use of the SCC to resolve compliance issues because the alleged violations help excuse the lack of any progress in arms control for over 6 years.

The President's new decision on the no undercut policy, which we believe is imminent, could be the turning point for the hopes of arms control during his tenure in office. If he decides to stay with it, we can still hope for a breakthrough at a summit or in Geneva. If he turns away from it, I predict a quick poisoning of United States-Soviet relations, the end of any chance for an arms agreement before the President leaves office, and an acceleration of the arms race.

Finally, Mr. President, I would like to thank Senator BUMPERS, Senator HEINZ, and Senator CHAFEE and their staffs for their hard work in preparing our letter to President Reagan. In addition, I would like to express my appreciation to all of our colleagues who joined us in this important effort.

I ask unanimous consent that the text of the letter to the President be printed in its entirety.

The letter follows:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 9, 1986.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Your November meeting with Secretary Gorbachev in Geneva established a solid basis to improve U.S.-Soviet relations. One of its more important accomplishments was the agreement, that a follow-up meeting would be held this year in the United States. Despite our profound differences with the Soviet Union, both countries share many common interests, the most important of which is avoiding nuclear war. In this regard, we believe it is important that some restraints continue in place on the Soviet Union and United States on an interim basis while negotiations continue in Geneva to reach a new arms agreement.

We applaud your declaration on June 10 that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva." We firmly believe that your policy of not undercutting existing strategic arms agreements, while reserving the right to take proportionate responses that enhance U.S. security, is very important in limiting the Soviet nuclear threat to the United States and our allies. Your June decision to dismantle a Poseidon submarine when the USS Alaska went to sea trials has forced the Soviet Union to continue dismantling older weapons as it deploys new ones, a practice they would be unlikely to continue in the absence of SALT restraints. We also note that your June decision received strong support from our NATO allies.

We strongly support your June statements concerning U.S. policy toward existing strategic arms agreements and believe U.S. and NATO security interests would be best served by continuing your "no undercut/proportionate response" policy through 1986. As you know, the Senate strongly endorsed that policy in June by a vote of 90-5 and endorsed your decision to dismantle a Poseidon submarine to stay within SALT limits by a vote of 79-17. As our June votes indicate, we encourage you to continue this wise policy.

As you know, our eighth Trident submarine is scheduled to begin sea trials about May 20. When this important event occurs, we believe that you should ensure that the United States not exceed the ceiling on

launchers of MIRVed ballistic missiles. We believe that discarding the SALT limits will endanger U.S. and NATO security by allowing the Soviets to add thousands of new warheads to their arsenal. They now have a far greater capability than the U.S. to exceed the SALT limits, particularly in MIRVed ICBMs and missile-launching submarines, but have refrained from doing so under the existing "no-undercut" framework.

Without the "no-undercut" policy, we will in all likelihood see a new accelerated arms race, with negative consequences for U.S. and NATO security. Among other harmful effects, a major expansion of Soviet ICBM warheads could pose important survivability problems for the entire triad and would multiply the challenge to your Strategic Defense Initiative.

The U.S. has legitimate concerns about Soviet compliance with some provisions of existing strategic arms agreements, and these concerns should be vigorously pursued. In order to maintain the integrity of those agreements and facilitate reaching a new agreement, the Soviets should be pressed to take positive steps to resolve our concerns.

We look forward to working with you in the coming months to ensure that the United States continues to implement military and diplomatic policies that are in our national interest.

Sincerely,

Senators signing the letter to the President:

REPUBLICANS

John Heinz, John Chafee, Arlen Specter, Bill Cohen, Robert Stafford, John Danforth, Charles McC. Mathias, Mark Andrews, Daniel Evans, Mark Hatfield, Lowell Weicker, Slade Gorton, Nancy Landon Kassebaum, and Bob Packwood.

DEMOCRATS

Pat Leahy, Dale Bumpers, Claiborne Pell, Joseph Biden, Albert Gore, Jr., Donald Riegle, Bill Bradley, Jeff Bingaman, Tom Harkin, Bill Proxmire, Paul Simon, Howard Metzenbaum, Spark Matsunaga, Max Baucus, James Exon, Lawton Chiles, Alan J. Dixon, Patrick Moynihan, Christopher Dodd, Edward Kennedy, George Mitchell, Gary Hart, Carl Levin, Paul Sarbanes, Alan Cranston, Wendell Ford, Tom Eagleton, David Pryor, Daniel Inouye, John Glenn, John Kerry, Quentin Burdick, Frank Lautenberg, Jim Sasser, Jay Rockefeller, Lloyd Bentsen, John Melcher, and Dennis DeConcini.

Mr. CHAFEE. Mr. President, yesterday President Reagan received a letter signed by 52 Senators, expressing our support for a continuation of the no undercut policy with regard to the unratified SALT treaty. I was pleased to join with Senators BUMPERS, HEINZ, and LEAHY in writing this letter, which is based on the belief that mutual Soviet and United States adherence to the SALT limitations has served the national interests of this Nation, and will continue to do so.

Today we find ourselves approaching a crucial juncture in arms control and United States-Soviet relations, as the administration considers whether to maintain its commitment to existing SALT arms limits. The immediate question is: Should the President order the dismantling of two Poseidon submarines carrying multiple-warhead missile launchers, in order to offset the launchers on the new *Trident*—the U.S.S. *Nevada*—which begins sea trials next month? The larger question, however, is whether the so-called no undercut policy we have followed since 1979 has been worth it, and will continue to be worth it, as we work for new arms control agreements and better United States-Soviet relations.

I believe that mutual adherence to SALT arms limits has worked in favor of U.S. security. It has prevented the arms race from escalating out of control, and forced the Soviets to dismantle more than 500 operational missile launchers. In comparison, the United States has had to dismantle only 16 launchers, which—as you know—we did last June. More importantly, the SALT limitations have kept the two superpowers on course in their pursuit of new, formal arms control agreements. In the past 6 years, United States-Soviet relations have crossed some rough terrain, but I am convinced that the road would have been a good deal rougher without the restraints imposed by the SALT framework.

We are not here today to claim that the no-undercut policy has been perfect. Significant questions of compliance have arisen over Soviet encryption of missile test data and the U.S.S.R.'s possible deployment of two new types of ICBM's—the SS-24 and SS-25. But these concerns, which we should attempt to resolve through diplomatic channels and the Standing Consultative Commission, do not justify scrapping the entire arrangement. If we abandon SALT because of these violations, we will move away from prudent arms control policy and almost definitely unleash an arms race of unprecedented proportions.

All the evidence indicates that without the SALT limits the Soviets will be able to build up their arsenal at a much greater rate than the United States. One recent study indicates that Soviet strategic weapons could increase by 65 percent by the end of 1989, compared with only 45 percent for the United States. Soviet missiles, especially the SS-18, are capable of carrying a greater payload than they currently have. Thus, without SALT they could add more warheads to missiles already deployed. In fact, by 1990 the Soviets could deploy twice as many warheads as the United States.

We believe that it is in the best interests of this Nation to maintain the no-undercut approach. In view of yesterday's good news that a Reagan-Gorbachev summit is likely to take place in the United States some time this year, let us continue with the policy that has brought restraint to nuclear arms buildup, and that holds out the promise for future fruitful arms control reductions.

I wish to thank Senators BUMPERS, HEINZ, and LEAHY for working with me on the letter, and on Senate Concurrent Resolution 112, the resolution we introduced last month expressing our support for the SALT limits, as long as the Soviets also continue to abide by them. I urge my colleagues to take a close look at this vital issue, and hope they will join us in working for continued effective arms control.

Mr. HEINZ. Mr. President, President Reagan faces a crucial choice between standing by his policy of preserving the SALT limit on MIRV'd missiles or abandoning it. If the President changes course and scraps SALT restraints, I see three possible consequences: First, a new arms race in warheads which the United States cannot win, second, a setback in achieving a future agreement to reduce nuclear weapons, and third, an enormous increase in military spending without a corresponding increase in American security.

Soviet violations of SALT require an American response. The President, however, has many better options for proportionate response than scrapping key limits that both sides have never broken, limits that serve our security interests.

If we do not dismantle enough missile launchers to stay within the SALT limits when the next Trident submarine goes to sea in May, we give the Soviets the green light to race ahead in an expansion of their nuclear arsenal. Even if the Soviets do not respond with an all-out effort to build their forces, they can raise the stakes at the arms negotiating table. With the unraveling of the most important limit we have on offensive weapons, the United States arms control objective of reductions in nuclear weapons would be more distant than ever.

All of these consequences could follow a decision to keep two of our Poseidon submarines instead of dismantling their missile launchers. Ironically, these two submarines and their 32 missiles will be out of service for major overhaul for 3 years in any case. It is pointless to start an arms race and torpedo arms control in order to add 300 obsolete warheads back to our huge arsenal some 3 years from now. A decision to take the submarines out of service without dismantling the launchers in 6 months would be a violation of SALT as both sides have been observing it.

Today the United States and the Soviet Union each have roughly 10,000 strategic nuclear warheads, but the Soviets are in a much better position to add quickly to their forces. In the first 4 years of a mutual buildup, the Soviets could add at least 7,000 war-

heads to their arsenal, and the United States only 3,700. The United States could eventually catch up, but only at great cost. By the mid-1990's both sides could have amassed some 27,000 warheads apiece. The result would be an enormous outlay of taxpayer dollars, a huge addition to both sides' nuclear overkill, and no improvement in our security.

The Soviets have two ICBM production lines in action, two missile-launching submarine lines, two strategic bomber lines, and vigorous missile development programs. They could expand their production of delivery vehicles faster than the United States. Even without increasing production of missiles, the Soviets could use their 3-to-1 advantage in missile throw weight to add thousands of warheads to existing systems. They could use the lifting capacity of their giant SS-18 missiles to add 6,000 warheads to their forces, and add another 4,000 more simply by replacing older single warhead missiles with their new SS-X-24.

The two Poseidon submarines which some have proposed not dismantling to comply with the SALT ceiling will have to undergo 3 years of overhaul in any event. So we could give the Soviets the go-ahead to add thousands of weapons to their inventory by doing something that will only add about 300 warheads to our forces, and that 3 years down the road.

The Soviets might not race ahead at maximum speed without SALT limits. They might simply stop retiring older missiles as new ones are deployed. They might just keep their submarines in service longer. By doing this, they would raise the ante for the next round of arms talks. When the United States tries to strike a deal on weapon reductions, which is the President's goal in arms negotiations, the Soviets would be starting from a much higher baseline. We could have to pay dearly at the negotiating table to get back just to where our balance of forces is today.

Last spring President Reagan made the right decision to stay within the SALT limits on multiple warhead missiles. At the time he acknowledged that the Soviets are much better positioned to break out of the limits on offensive weapons. That United States disadvantage has not changed. We cannot give the Soviets a chance to exploit it.

Abandoning the MIRV limit that both sides have observed would discard the most important offensive weapon limit we have and would greatly complicate the already difficult task of negotiating reductions in United States and Soviet nuclear forces. Whether the Soviets responded by building up a little, or a lot, an end to the MIRV ceiling would be a giant step backward for United States arms control objectives. Leverage at the negotiating table is crucial. And the Soviets are best positioned to increase their leverage in the short run if we junk the limit on the most destabilizing weapons, multiple warhead missiles.

Soviet violations are a serious issue that threaten to undermine any potential for arms control progress. The problems posed by the SS-25 missile and the Krasnoyarsk radar should be raised by the United States, in the Standing Consultative Commission or directly in summit discussions. But we must recognize that the military balance is not affected by these two Soviet programs. These Soviet activities undermine political support for arms control, but abandoning the MIRV limits would destroy the single most important bilateral restraint on offensive nuclear weapons. And discarding our interim restraint policy would not bring the Soviets into compliance either with the SS-25 or the radar in Siberia.

The President has a variety of proportionate responses he could take to Soviet violations without undermining the SALT limits both sides observe. The Midgetman missile will be a violation of the SALT limits when it is flight tested in 1988 or 1989, but that would be a direct response to the SS-25. Scrapping the MIRV limits does not enhance U.S. security, but other options that would not undermine useful arms restraints could contribute to our military strength.

SENATOR CHILES HONORED FOR HELPING ELDERLY

Mr. GLENN. Mr. President, I would like to call to the attention of my colleagues an event occurring this week which deserves our recognition—the 14th Annual Spring Conference of the American Association of Homes for the Aging [AAHA].

AAHA is the national representative of over 2,700 nonprofit facilities which provide health care, housing, and community services to more than a half million older persons throughout our Nation. Administrators, other key staff, and trustees of AAHA member facilities have come to the Nation's Capital to participate in a comprehensive educational program, to visit with many of their elected officials, and to gain a Washington perspective on significant Federal initiatives affecting the delivery of supportive services to older Americans.

On Thursday, April 10, Senator LAWTON CHILES—my distinguished colleague on the Aging Committee—is being honored as the recipient of AAHA's Distinguished Services Award in recognition of his leadership and efforts on behalf of America's elderly. As ranking minority member of the Senate Budget Committee and member of the Appropriations and Special Aging Committees, Senator CHILES has been a leader in the battle to preserve the Federal Government's commitment to programs which provide vitally needed services to America's older citizens.

The Senator's leadership was readily apparent last month when he worked with Budget Committee Chairman PETE DOMENICI in shaping an unprecedented bipartisan 1987 budget proposal that achieves the deficit targets required under Gramm-Rudman, distributes spending reductions throughout the budget, and rejects major cuts in health care and housing programs. Senator CHILES also initiated the effort last year which protected the Medicare and Medicaid programs for the elderly and poor from the automatic, potentially devastating, spending cuts in Gramm-Rudman.

Additionally, last year, Senator CHILES joined with Senator HEINZ, myself, and other Members of this body to promote legislation which protects elderly residents of continuing care retirement communities from unreasonable personal income tax liability.

In recognition of his numerous endeavors to promote the well-being of elderly Americans, AAHA conferred upon LAWTON CHILES its Distinguished Services Award. I join the association in commending our dedicated colleague.

THE MURDER RATE IS HIGHER IN STATES WITH CAPITAL PUNISHMENT

Mr. LEVIN. Mr. President, legislation to reinstitute capital punishment at the Federal level, S. 239, has been approved by the Senate Judiciary Committee. In anticipation of floor action of the bill, I asked the Library of Congress to check the latest statistics on the correlation between capital punishment and murder rates. The deterrent value of the death penalty is raised by proponents of S. 239 as a principal reason why the Congress should support reinstituting a Federal death penalty. However, a comparison of murder rates in those States with the death penalty and those without the death penalty reveals that the death penalty does not deter murder.

According to the Library of Congress, in 1984, death penalty States had an average murder rate of 8.31 per 100,000 population, while the average murder rate in nondeath penalty States was only 6.41 per 100,000 population.

Mr. President, I join the proponents of S. 239 in their expression of disgust with those who commit violent crimes against innocent victims. I agree that the Senate should consider further measures designed to ensure that those who do commit such crimes

remain in prison for a period of time which is commensurate with their crime. However, in the absence of clear evidence to support the view that the death penalty will protect us from violent crime, the negative aspects of capital punishment outweigh its benefits to society.

The death penalty is irreversible and our mistakes cannot be corrected. Additionally, the death penalty continues to be unfairly applied on the basis of the victim's race against those who are poor and uneducated, and against those who are without the most experienced attorneys. Implementation of a sentence of death also requires the expenditure of enormous resources which could be devoted to better uses.

On balance, reinstituting the death penalty is more harmful than beneficial to our citizenry. I hope the Senate will reject it in favor of more effective law enforcement measures.

Mr. President, I want to confess at this point in my remarks that I had some help in their preparation. Since the very beginning of my service in the Senate over 7 years ago, I have had the great pleasure of working with Ms. Judy Parker Jenkins of my staff. She began as a legislative correspondent, one of those scarcely seen staff members for a Senator, scarcely seen because they are usually buried under mountains of letters from people back home. But Judy couldn't be buried for long. She dug her way through those letters and so impressed me with her intelligence and hard work that within a year I had promoted her to be one of my legislative assistants. That was a decision I have never regretted. The subject of my remarks today—the death penalty—is one of many crucially important areas of public policy which Judy and I have labored on together for many, many hours. I'll never forget Judy stacking up the 20-foot high pile of books I used during extended debate of the last death penalty statute this body was about to consider. The next stack of books for the next extended debate will be compiled by someone else. But we shall not forget Judy's extraordinary commitment. And I'll also never forget her constant professionalism, dedication and loyalty. Tomorrow she leaves my staff, and enters the private practice of law, using the credential she labored many nights after leaving our office to obtain. She leaves with my deepest appreciation and respect.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2280—TO SUSPEND APPLICATION OF MILK PRODUCTION TERMINATION PROGRAM

Mr. WILSON. Mr. President, I send a bill to the desk for introduction.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

BILL TO SUSPEND DAIRY BUYOUT PROGRAM

Mr. WILSON. Mr. President, today I am introducing legislation to suspend temporarily the milk production termination program—known as the whole-herd buyout—in order to minimize the adverse effect which the program is having on our Nation's beef, pork, and lamb producers. I am joined in this effort by Senators HAWKINS, MCCLURE, and HEFLIN who have cosponsored the legislation.

The bill would suspend the whole-herd buyout program effective today and would require the Secretary of Agriculture to reestablish the program in order to achieve—to the maximum extent possible—orderly marketing of the 1.5 million dairy cows, heifers, and calves which are scheduled for slaughter over the next 18 months under the terms of the program.

Once the Agriculture Secretary has reestablished an orderly marketing plan, this legislation would direct him to submit it to the Senate and House Committees on Agriculture for review and comment. Under the bill, this "reconstituted" dairy termination program would become effective 30 days after its submission to the Agriculture Committees.

Mr. President, it is regrettable—but very, very clear—that such legislation is necessary. During just the first 10 days of the 18-month dairy buyout program, our Nation's cattle industry has seen their prices decline more sharply than any time in the past 10 years.

According to the National Cattlemen's Association, fed cattle prices dropped by nearly $30 per head during the first week of the whole-herd buyout. Cow prices fell by $35 per head, while the value of feeder cattle dropped $15 per head. The cumulative effect of these lower prices on cattle actually sold last week resulted in an estimated loss of more than $25 million.

In addition to these immediate losses, the industry has experienced a staggering reduction in the value of its inventory. Last week, the commodity futures prices on fed cattle for April were down 550 points which represents a decline of $5.50 per hunderweight, or $60 per head. According to industry estimations, the resulting loss of inventory value exceeds $2 billion. In my State, alone, California cattlemen have told me their losses last week totaled more than $250 million.

Mr. President, I do not believe that I overstate the case by saying that last week's developments are of tragic proportions. While some may attempt to minimize the seriousness of the situation by suggesting that much of the loss to the cattle industry is a paper loss, let me remind them that that paper represents collateral which is essential in order for our Nation's cattlemen to receive credit to finance their operations. And this body has considered more than once in recent months—and will debate again in the near future—measures designed to assist our farmers seeking adequate credit.

The whole-herd buyout provision contained in the 1985 farm bill was intended to provide a gracious out for dairymen willing to leave the business. It was the intent of Congress that the cost of this program—estimated to be $1.8 billion—would be borne by the dairy industry and the Government. I do not believe that any one of us intended that the cost of the dairy program should be extracted from the sales and inventory value of our Nation's cattle, pork, and lamb industries.

The red meat market has tumbled because more than 1 million dairy cows, heifers and calves—representing nearly 70 percent of the program's total participation—will go to market between now and August. As a result of this front loading of this 18-month program, the dairymen who have signed up have been injured, too, because the value of their animals has plummeted.

Indeed, in my view, the only one benefiting from the current situation is not the American consumer. There may be a very short-term gain there, but certainly nothing in the long term. No. The only beneficiary is the Office of Management and Budget which prefers a large, early buyout, in order to reduce long-term support payments to purchase surplus dairy commodities. I fully understand their desire to minimize what they put out in order to purchase these dairy commodities. Certainly I applaud the goal if not the means that has been chosen in the whole dairy buyout program. And I have often appreciated and cooperated with OMB in their effort to control Federal expenditures. I have frequently applauded their efforts. But I cannot condone this method by which they have chosen to distort the marketplace in a way that will not have any long-term benefit to the American consumer, and in a way that threatens dire consequences for beef, pork, and lamb producers.

Indeed, the 1985 farm bill attempted to mitigate the damage that our Nation's red meat industry is presently experiencing and explicitly instructed the Secretary of Agriculture to "take into account any adverse effect"—that is the exact language of the bill—

which this dairy program may have on these producers and to "take all feasible steps to minimize such effect."

While the Secretary has implemented an extremely difficult and complex program in a commendably short period of time, I believe that the events over the past 2 weeks clearly reveal that we can do a better job of designing this program. Indeed, we must do a better job. It is for that reason, Mr. President, that I am introducing this legislation today. By temporarily suspending the buyout program, we can immediately restore some stability to red meat prices, while allowing the Department of Agriculture time to develop an orderly marketing scheme—one that would more evenly distribute over 18 months the number of cows going to market and one that would effectively target the Secretary's authority to acquire and distribute 400 million pounds of red meat.

I urge its prompt and favorable consideration.

I thank the Chair.

I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SUSPENSION OF MILK PRODUCTION TERMINATION PROGRAM.

(a) IN GENERAL.—Section 201(d)(3)(A) of the Agricultural Act of 1949 (7 U.S.C. 1946(d)(3)(A)) is amended by adding at the end thereof the following new clause:

"(viii)(I) The Secretary shall reestablish the milk production termination program required by this subparagraph in a manner that minimizes, to the maximum extent practicable, the adverse effect of the program on beef, pork, and lamb producers in the United States.

"(II) The Secretary shall submit a report describing the program required under subclause (I) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

"(III) Notwithstanding any other provision of law, the milk production termination program established under this subparagraph shall not be effective during the period beginning on December 23, 1985, and ending 30 days after the Secretary submits the report required under subclause (II).".

(b) APPLICATION.—The amendment made by this section shall not apply to contracts entered into by producers before April 10, 1986, to participate in the milk production termination program established under section 201(d)(3) of the Agricultural Act of 1949 (as in effect before the date of enactment of this Act) with respect to cattle slaughtered or exported under the program before April 10, 1986.

Mr. McCLURE. Mr. President, I rise in support of Senators WILSON, HAWKINS, and HEFLIN in introduction of this bill which will put a stop to the destruction of the beef, pork, and lamb markets which has been caused by the implementation of the Dairy Termination Program. This problem needs immediate attention and swift action.

The implementation of the Dairy Termination Program included in the Food Security Act of 1985 is causing disastrous distortions in U.S. cattle markets. The problem facing America's beef cattle industry has been made worse by a governmental program designed to benefit a relatively small number of already subsidized farmers—dairy farmers. The Federal Government plans to pay 14,000 dairy farmers to go out of business by buying up their herds and sending the cows to slaughter. Congress enacted this program to reduce the purchases of mountains of federally subsidized cheese, butter, and nonfat dried milk in Federal warehouses.

During the debate on the 1985 farm bill, the national cattle industry expressed their concern about sending an expected 930,000 additional cows, dairy cows, to market on an already depressed beef market. Their concerns were recognized, and language was inserted into the farm bill which would have the Federal Government purchase 400 million pounds of red meat to mitigate the damages done to the red meat markets. The cattle industry was also given assurances that USDA would schedule Federal purchases with slaughter dates and spread the slaughter of dairy animals over the full 18 months of the termination program.

But on March 18, Agriculture Secretary Lyng put the number of dairy cows to be diverted under the program at 1.5 million. The USDA stacked the majority of these purchases in the first period, severely distorting the markets. He also said that the Government had immediate plans to buy only about 100 million pounds without a firm schedule. From the view of the cattle industry, this program is a disaster and must be changed.

The USDA announcement has sent the beef futures markets into a tailspin, with contracts dropping down to the limit of $1.50 per 100 pounds for 3 out of 5 days and nearly to the limit on the fourth day last week. Prices paid by the packinghouses follow the futures market down, dropping $5 to about $55 per hundredweight. A 1,000-pound steer, a typical weight, going to slaughter this week was suddenly worth about $50 less than in the last week in March, before the announcement of the dairy buyout.

In addition to the drops in price, the Dairy Termination Program has caused a jamming of the slaughter markets. The untimely and disorderly flow of dairy cattle to slaughter resulting from the Dairy Termination Program has resulted in both lower prices and lost markets for beef cattle sold for slaughter. As slaughterhouses across the Nation buy up relatively cheap dairy cows, cattlemen who traditionally bring cull cows to market at this time are faced with unreasonably low prices or worse—no market at all.

In sum, the beef cattle producers are suffering both price declines and long-term market damages from the Federal Government's attempt to fix a problem created by Government. The market distortions may be lasting; resulting in personal losses which may be enormous. Congress must address this problem. It must address it immediately and forcefully.

We propose an immediate suspension of the Dairy Termination Program and implementation of procedures to ensure an orderly and timely flow of cattle to reduce the adverse effects of this program on U.S. red meat markets. The Secretary of Agriculture has the authority under the Food Security Act to "take into account any adverse effect of such program * * * on beef, pork, or poultry producers in the United States and * * * take all feasible steps to minimize such effect." I encourage the Secretary to take such steps immediately.

After immediate suspension of the program, the Secretary of Agriculture should take two steps to ensure an orderly and timely flow of dairy cattle into the markets. Before resumption of the DTP, the USDA should move more than 200,000 dairy cows which are presently scheduled for the first disposal period to the second and third disposal period. The allocation of bids of the same value to new disposal periods could perhaps be best implemented by distributing 376,500 dairy cows during the first disposal period, 200,000 dairy cows during the second disposal period, and 375,000 cows during the third disposal period. These same proportionate numbers should be placed on the other classifications of dairy cattle under this program. Such a reallocation would reflect the provisions of the law that require the DTP to reflect historical marketing patterns.

In addition, the USDA should establish a schedule for dairy cow slaughter and implement regulations that provide for proportionate spacing of dairy cattle within each disposal period. Bimonthly targets should be established by specifying targets for each dairy producer during each of the disposal periods. Such a schedule would offset the adverse effects suffered by the beef cattle industry due to the large numbers of dairy cattle now being sold for slaughter.

I recognize the difficulty in setting up and running a program such as the Dairy Termination Program. It is a complex program and has many far reaching side effects. The USDA must be more sensitive to the side effects of programs that are set up to help one

section of agriculture. The USDA must be aware that the actions taken in pursuit of one program must be carefully weighed against other areas of agriculture. The beef cattle industry is one area of agriculture which has never had a full fledged Government program to help them survive. However it will not be long before they do if the Government, in its efforts to help one section damages another.

I urge swift and decisive action on this bill and ask my colleagues to lend their support to pass this quickly.

Mr. SYMMS. Mr. President, I am an original cosponsor of the legislation introduced by my respected colleague, Senator WILSON and I rise to support it. I'm extremely sorry that this action is necessary, but it is imperative that we take action to repair, to some extent, the damage that has been done inadvertently to the cattle industry.

The farm bill would not have been allowed to become law if many of us had not believed that it was written to protect the cattle industry from adverse impacts resulting from the Dairy Termination Program. However, the disaster we've witnessed in the past 10 days makes it clear that the bill failed in that part of its mission. The law has specific requirements designed to avoid the effects of a massive increase in cattle on the market. Basically, the law requires orderly marketing. This hasn't happened.

Since the Dairy Termination Program began on April 1 cattle slaughter rates have increased by more than 10 percent over last year's rates and markets have plummeted. In the process some good, longtime cattle operators have been wiped out, as have some feed producers and other intermediate businessmen.

In the last day or two there has been some indication that the crash might be bottoming out. However, I don't think we can depend solely on that. This intolerable situation is directly traceable to the failure of the Department of Agriculture to plan and execute an orderly marketing strategy. Apparently they didn't anticipate the surge of cattle that hit the slaughterhouses nor did they have an active purchasing plan in place.

In order to partially rectify this situation Senator WILSON's bill will impose a moratorium on the Dairy Termination Program until the Department has a program in place that will work. The DPT Program won't resume until the Agricultural Committees of both Houses are convinced that it will work right.

Normally, I'm inclined to avoid legislative fixes. However, in this case, I think we have no choice. I urge you to support this bill.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1017, which the clerk will report.

The bill clerk read as follows:

A bill (S. 1017), to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The Senate resumed consideration of the bill.

Pending:

Sarbanes-Mathias Amendment No. 1744, to provide that nighttime noise limitations shall remain unchanged or shall be made more restrictive.

The PRESIDING OFFICER. The pending amendment, offered by the distinguished Senator from Maryland [Mr. SARBANES], is limited to 40 minutes equally divided between the Senator from Maryland and the Senator from Virginia [Mr. TRIBLE], with the vote on or in relation thereto to occur no earlier than 10:40 a.m. and with no amendments thereto in order.

Who yields time?

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER (Mr. WILSON). The Senator from Maryland, Mr. SARBANES.

Mr. SARBANES. I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. SARBANES. Mr. President, this amendment which was laid down yesterday evening deals with the nighttime noise issue at National Airport, and is designed to assure the local communities and the area residents that the current limitations and restrictions which have been placed on nighttime noise, limitations, and restrictions that were very hard to come by—by which I mean there was a very long, hard fight in order to obtain them—would be maintained, and that in fact if changed would be changed in a more restrictive direction in order to give the residents a greater freedom from this imposition upon them.

Area residents have been very sharply impacted by the activities at National and the limitations that were placed were a response to that concern. I think, as Members know, planes flying into National are required to use generally flight patterns over the Potomac River to try to diminish the noise problem, but as they approach and leave they obviously move over the surrounding territory. The way the patterns work a disproportionate amount of that noise falls on the Maryland side but Virginia and the District of Columbia are also heavily impacted under certain circumstances.

Area residents and their respresentatives over the years have fought long and hard to try to have some restraint placed on this. The original bill, as introduced, on page 14 of the legislation, in fact provides: "Froze the nighttime limitation standards that currently exists." Unfortunately, an amendment offered by my colleague, the junior Senator from Virginia, removed this restriction in the committee and gave the authority the power to change the limitations that are currently in the law.

It has been argued they could make them tighter. That is true. But they could also make them looser. It is my own view that the pressure on the authority will in fact be to make them looser, and that is the genesis behind the amendment, and that is what I am fearful will happen to the amendment that was made in the committee.

So the amendment that I have offered with my colleague puts the current limitation standards in, and says they cannot be amended unless such standards are made more restrictive of nighttime noise. So they could be amended to become more restrictive, but not amended to be less restrictive as the current provision in the legislation, as a consequence of the amendment introduced by my colleague from Virginia, does.

The minority report in the committee by Senators HOLLINGS and EXON on this nighttime noise restriction amendment at National Airport notes:

The provision giving the new airport commission power to revise the nighttime noise restrictions at National was added by the committee as an amendment to S. 1017, a full 2 months after the bill was originally ordered reported.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. SARBANES. I yield myself an additional 2 minutes.

It will most certainly result in the eventual easing of those restrictions and an increase in late-night flights into Washington's principal airport.

Why is this amendment needed in the first place? Current FAA regulations specify that all flights in and out of National after 10 pm and before 7 am are restricted by noise levels. The original approach endorsed by supporters of S. 1017 was to freeze these rules in place for the 35-year duration of the lease. Then the same people who claimed that the Holton Commission had worked out every detail of the bill, turned around and wanted to amend it. Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.

Originally, the Committee agreed to try to resolve this issue on the Senate floor. However, supporters of the bill panicked at the thought of 100 Senators, many of whom live in National's flight path, having the opportunity to debate this issue and discovering the truth about it. That's why the decision

was made to schedule a second markup and add the amendment at the Committee level, thereby hoping to bury it from view.

This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate, who are suspicious about the effect this legislation will have on air service in Washington.

Mr. President, I could not agree more with the views which have been expressed by Senators HOLLINGS and EXON with respect to this amendment. Clearly, no one is proposing an earlier curfew. I would conclude, as they did, that the reason for giving the local authority this power is to pave the way for more late night flights.

The PRESIDING OFFICER. The Senator's additional 2 minutes have expired.

Mr. SARBANES. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Mr. President, I yield myself such time as I may require. I rise in opposition to the amendment.

This subject matter was added by committee amendment. It was fully discussed by the Commerce Committee on 2 separate days. The committee amendment sought to eliminate a provision in the original draft of this legislation which froze existing FAA nighttime noise rules at National Airport.

The administration had tried to address the issue by maintaining the status quo at Washington National. Unfortunately, the status quo is not acceptable to either side. Both community groups and airlines objected. Community groups desired the standard to be changed to prohibit all nighttime jet air carrier operations. The airlines, on the other hand, urged that the rule should be changed to allow certain new quiet aircraft to operate after 10 p.m. Both community groups and the airlines argued to us that the new authority should have the power to change the nighttime rule as it could change all other airport proprietary rules.

This, then, is the genesis of the language in the bill that is now subject to this amendment.

The purpose of the committee was to give a measure of flexibility to this new airport authority, to give it the same kinds of latitude of management that other airports enjoy, but mindful of the concerns that we all have about noise in this greater metropolitan region.

The language was very clear and the committee's intent was very clear. Let me read from the committee report.

The Committee notes that noise at National, and particularly noise between 10 p.m. and 7 a.m., has been a controversial and divisive issue. In transferring responsibility for the nighttime noise standards at National to the Authority, the Committee expects that the Authority would waive the existing standard to allow aircraft operations above the standard only in limited circumstances and only when proposed operations exceed the existing standard by a minimal amount. In such cases, the Committee expects the Authority to seek compensating reductions in noise created by other operations of the carrier seeking a waiver, so that the overall impact of noise is not increased.

What we are doing here is providing a measure of flexibility to the airport authority, but we are also making it very clear there is an overriding concern about noise in this community.

I would go on to point out that an authority commission composed essentially of men and women who reside in this metropolitan region, who live under these flight paths, who share our concerns about noise, are going to be responsive to those concerns. Indeed, that is why community groups have argued for this right, because they know they will be able to maximize their arguments. Indeed, they feel confident that if changes are made they will benefit the community in terms of reduced noise.

The existing standards in this bill transfers to the new authority the same kinds of responsibility regarding nighttime noise as all other airports in the Nation presently exercise. To tie the hands of this new airport authority to prevent it from adjusting the noise rule suggests, as Senator INOUYE pointed out in our committee markup, that we do not trust this new authority.

I would suggest to my colleagues that this language, crafted carefully by the Commerce Committee after 2 days of discussions, after a thorough give and take between Members, after much discussion about all of our concerns about noise, gives this airport the kind of operational flexibility that is essential. Moreover, it provides the kind of protection in the community in terms of noise that we all require.

The PRESIDING OFFICER (Mr. HATFIELD). Who yields time?

Mr. SARBANES. Mr. President, I yield myself 2 minutes.

Mr. President, I want to address very directly the argument just put forward by my colleague from Virginia.

The amendment which is now pending which Senator MATHIAS and I have offered leaves with the authority the discretion to make the nighttime noise limitations more restrictive. It says either the current standard or a more restrictive standard will apply.

The only thing it precludes in terms of the discretion to which my colleague has made reference is the discretion to make these restrictions looser.

That must be very clearly understood. If this thing ever comes into play and the airport authority puts in limitations less restrictive than we have now—in other words, imposes more noise on the community and the area residents—the responsibility for that is directly attributable to the Trible amendment. There is no doubt about that.

The bill, as submitted, would have frozen the current standard.

One can make the argument, "Well, the authority may want to tighten it up." That is what our amendment permits.

The Trible amendment permits the authority not only to tighten it up but to loosen it.

As the minority have stated in their dissent, clearly the pressure is going to be to pave the way for more late night flights. So the consequence of the amendment of the Senator from Virginia is to open up the possibility that, in fact, the authority will amend the current regulations to have a looser standard, thereby subjecting area residents to greater noise, more of a nighttime problem, breach of the curfew.

I do not accept the proposition that this is to give the authority discretion to tighten it. Our amendment does that. Our amendment, in effect, takes the current standard and says, "That shall be the standard unless the authority amends it in a more restrictive direction with respect to nighttime noise." So there is the discretion to become more restrictive.

The Trible amendment adopted in the committee 2 months after the bill was reported out permits the authority——

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SARBANES. I yield myself another minute—permits the authority to in effect have a looser standard, so that the area residents will be impacted by greater noise. That would not have been possible under the bill as originally submitted. It would not be possible under the amendment which Senator MATHIAS and I have sent to the desk, and it is only possible, only possible, because of the amendment of the Senator from Virginia in the committee, which gives to the authority the discretion, total discretion, in terms of which way to move the nighttime noise limitation standards.

Those who are acquainted with this problem know that the most likely result of providing this discretion will be an easing of the restrictions and an increase in late night flights into Washington's principal airport.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SARBANES. The pressure will be to pave the way for more late night flights. I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Maryland has 9 minutes and 50 seconds remaining. The Senator from Virginia has 15 minutes and 27 seconds remaining. The time will be equally charged.

Is someone suggesting the absence of a quorum?

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To be equally divided, to be charged to both sides. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes remaining and all the time has expired on behalf of the Senator from Maryland.

Mr. TRIBLE. I say to the Senator from Maryland if he would like me to yield to him at this point some additional time I would be happy to do so. It would be my intention to speak for another minute or two and then move to table his amendment.

Mr. SARBANES. Mr. President, I made the arguments earlier and used most of my time. I was hoping that the Senator from Virginia would respond because I think a heavy burden on this amendment which, as I have argued, is going to allow for an increase in nighttime noise at National, much to the disadvantage of people that both he and I represent.

Mr. TRIBLE. I thank the Senator for his contribution.

I will reclaim my time and will complete this debate.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. I yielded such time as my colleague and friend from Maryland required for an additional statement.

The PRESIDING OFFICER. If the Senator from Maryland wishes to request time from the Senator from Virginia he may do so.

Mr. TRIBLE. Mr. President, Senator WARNER and I are concerned about airport noise just like the Senators from Maryland. Our constituents, no less than theirs, line the flight path from National Airport and we hear from them with the same regularity.

Neither they, Senator WARNER, nor I want to act in a way that would increase the noise in the region. At the same time, it is important that we do not place this new airport authority in a straitjacket, but rather give this airport authority essentially the same kind of operational freedom that all other commercial airports have.

That is done by the language of this bill. It is done within certain very real parameters, as set forth very clearly in the committee report, which says that changes can be made only in limited circumstances and if changes are made they cannot be made in such a way that the overall impact of noise is increased on the citizens of this metropolitan area.

The amendment adopted by the Commerce Committee is realy a rare political phenomenon. Both the community groups concerned about airport noise and the airlines favored the amendment giving regulatory power over noise to the authority.

The airlines believe the authority will be reasonable in its assessment of new technology and will be willing to make appropriate adjustments. The community groups know, and apparently the Senators from Maryland have difficulty fully appreciating this reality, that the local authority will be responsive to local concerns and local demands to prevent the possibility of too much nighttime traffic.

Both sides and the full Commerce Committee agree that the reliance on the authority to balance these competing interests is preferable to a freeze.

That is the genesis, the rationale, and the purpose of this language.

I would suggest that it balances the interests of all in a proper fashion.

I would suggest that the amendment of the Senator from Maryland ought to be rejected.

Mr. President, I move to table the amendment offered by the Senator from Maryland [Mr. SARBANES].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland.

Mr. TRIBLE. Mr. President, I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER (Mr. PRESSLER.) Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 37, as follows:

[Rollcall Vote No. 57 Leg.]

YEAS—60

Abdnor	Gore	Packwood
Andrews	Gorton	Pressler
Armstrong	Gramm	Pryor
Bentsen	Grassley	Quayle
Boschwitz	Hatch	Riegle
Bradley	Hatfield	Rockefeller
Chafee	Hecht	Roth
Chiles	Heflin	Rudman
Cochran	Helms	Simon
D'Amato	Humphrey	Simpson
Danforth	Inouye	Specter
Denton	Kassebaum	Stevens
Dodd	Kasten	Symms
Dole	Laxalt	Thurmond
Domenici	Lugar	Trible
Durenberger	Mattingly	Wallop
East	McClure	Warner
Evans	McConnell	Weicker
Exon	Murkowski	Wilson
Garn	Nickles	Zorinsky

NAYS—37

Baucus	Glenn	Mathias
Biden	Goldwater	Matsunaga
Bingaman	Harkin	Melcher
Boren	Hart	Metzenbaum
Bumpers	Heinz	Mitchell
Burdick	Hollings	Moynihan
Byrd	Johnston	Nunn
Cohen	Kennedy	Pell
Cranston	Kerry	Proxmire
DeConcini	Lautenberg	Sarbanes
Dixon	Leahy	Sasser
Eagleton	Levin	
Ford	Long	

NOT VOTING—3

Hawkins	Stafford	Stennis

So the motion to lay on the table amendment No. 1744 was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was laid on the table.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 1754

(Purpose: To preserve the collective bargaining rights of certain airport employees)

Mr. SARBANES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES], for himself and Mr. MATHIAS, proposes an amendment numbered 1754.

On page 40, insert after line 25, the following new subparagraph:

(D) Before the date of transfer, the Secretary shall assure that the Airports Authority has agreed to a continuation of all collective bargaining rights enjoyed before the date of transfer by employees of the Metropolitan Washington Airports.

On page 43, line 24, insert "(1)" after "(b)".

On page 44, insert betwen lines 9 and 10 the following new paragraph:

(2) The arrangements made pursuant to this section shall assure, during the 35-year lease term, the continuation of all collective

bargaining rights enjoyed by transferred employees retained by the Airports Authority.

Mr. SARBANES. Mr. President, earlier in the debate, I spoke about the so-called labor protection provisions that are in this legislation, and made the point then that it was my very deep concern that these provisions, which are on pages 42 and following of the bill, did not provide adequate protection for the Federal employees currently working at National and Dulles Airports.

This problem is further complicated by the fact that this authority is being set up under the laws of the State of Virginia, which we do not have before us. There is very serious questions whether, under those laws, public employees would be able to engage in collective bargaining. In fact, the Supreme Court of Virginia has ruled fairly recently that the clear public policy of the Virginia Legislature is against the concept of public employee collective bargaining. The court then reviewed legislative action taken by the Virginia Legislature over the years designed to lay out that public policy.

In fact, the court stated that it was contrary to the public policy of Virginia for any State, county, or municipal officer or agent to be vested with or possess any authority to recognize any labor union as a representative of any public officers or employees or to negotiate with any such union or its agents with respect to any matter relating to them or their employment or service.

In light of that, this transfer of Federal workers to the new airport authority may have dire and unpredictable consequences for a labor work force which, for years, has enjoyed the benefits of collective bargaining under Federal law.

It is very important to understand these workers now have certain collective bargaining rights. This amendment does not seek to expand those rights. It only seeks to assure them. In other words, it is saying to the Federal employees at National and Dulles that this transfer to an authority, and their transfer to its employ, will not diminish the collective bargaining rights which they enjoyed before the date of transfer, and that those rights should continue through the period of their employment by the airport authority. Clearly, it seems to me an assurance of this sort is essential if the employees are not to find themselves in a totally unacceptable employment situation. In other words, you have longstanding Federal employees who have done, as I have said on previous occasions, an outstanding job at both of these airports. They are now going to be dramatically shifted into a new working environment.

The bill in fact creates a new public body, the airport authority, having the powers and jurisdiction as are conferred upon it jointly by the legislative authority of the Commonwealth of Virginia and the District of Columbia. That is in section 7 of this bill.

Most of the labor protection provisions in this bill in fact are limited to only 2 years, so my first contention is they are not protected on the collective bargaining rights. And if in fact it is asserted that they are through some language or other, it is clear that it is limited only to a 2-year period.

I do not think that we can take employees who have in effect developed a favorable labor environment, who have given of themselves over the years, and then shift them into an entirely different context.

Now, this issue does not relate to the Maryland-Virginia-District of Columbia-Federal issue. It does not relate to the sale price, the bargain basement sale price that is being put forward here. What this issue relates to is the employees and their protection. This amendment seeks to assure them that there will be a continuation of the collective bargaining rights they have enjoyed before the date of transfer.

I am frank to say that I see no basis on which the amendment could be opposed unless one takes the position that the employees ought not to have the collective-bargaining rights they have enjoyed before the date of transfer.

This amendment is designed to make crystal clear that they will continue to enjoy those rights and that they will have them over this 35-year term so that the transferred employees will not find themselves in a totally unexpected labor context and discover that the collective-bargaining rights which were won at a much earlier time and on which they have depended over the years are now being denied to them.

I would think, frankly, that the manager of the bill would want to accept the amendment in order to put this particular issue to rest and provide a tight assurance to these Federal employees that in fact they will have collective-bargaining rights of the nature that they currently have after being transferred to the Airport Authority. It seems to me an amendment of elemental fairness as far as the work force at National and Dulles is concerned, and I look forward to the comments of the manager with respect to this proposal.

Mr. TRIBLE. Mr. President, let me speak to the amendment before the Senate.

It is the intention of this bill to extend to Federal employees the same protections they now enjoy under the Federal Government. The status quo seems to be the only reasonable course of action, recognizing that the District of Columbia enthusiastically endorses collective bargaining and Virginia is a staunch right-to-work State.

I have reviewed the amendment of the Senator from Maryland. It appears that his amendment intends to extend to Federal employees the same collective-bargaining protections they now enjoy. It is fully consistent with the bill before us, the intention of the Commerce Committee, and therefore I have no opposition to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1754) was agreed to.

AMENDMENT NO. 1755

(Purpose: To provide protection for Federal employees at National and Dulles Airports for a 5-year period)

Mr. SARBANES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] proposes an amendment numbered 1755.

Mr. SARBANES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 42, line 20, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 1, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 7, strike out "2-years" and insert in lieu thereof "5 year".

On page 43, line 10, strike out "2-year" and insert in lieu thereof "5 year".

On page 43, line 19, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 1, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 4, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 5, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 11, strike out "2-year" and insert in lieu thereof "5 year".

On page 44, line 24, strike out "2-year" and insert in lieu thereof "5 year".

Mr. SARBANES. Mr. President, this amendment is also directed at the question of labor protection for the employees. The bill as drafted limits the protections to a 2-year period commencing on the date of transfer. I am very frank to say that my own view is that a number, if not all, of the protections ought to extend throughout the period covered by the bill; but I am sensitive to the argument that someone will say, "You are trying to freeze a 35-year period."

So what this amendment does is to change the 2-year period contained in section 9, with respect to protection for Federal employees, to a 5-year period.

Mr. President, I ask unanimous consent that it be in order to move to reconsider the vote on the previous

amendment (No. 1754) that was adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. I move to reconsider the vote.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, the legislation before the Senate talks about protection the employment interests of employees during the 2-year period commencing on the date of transfer. It also makes similar provisions with respect to pay rates, annual and sick leave, seniority rights, life insurance and health insurance, termination of an employee, the rights and benefits that the employee would enjoy if terminated, lump-sum payments as they relate to transfer and annual and sick leave. But in each instance, these protections are limited to 2 years. I do not think that is adequate.

It seems to me that in those areas, when you are talking about employees who have really given a lifetime of service to the Federal Government, many of whom are approaching retirement age and now are being shifted into a different environment, a 5-year period of protection is reasonable.

The protections talked about in the legislation speak of protecting the employment interests of an employee during the 2-year period commencing on the date of transfer. It then provides, for example, transfer and retention of employees in their same positions for the 2-year period commencing on the date of transfer; for payment of basic and premium pay, except in cases of separation for cause, resignation or retirement, for 2 years commencing on the date of transfer; for credit for accrued and annual and sick leave, and seniority rights.

What is going to happen is that if this authority comes about—and, of course, many of us think it should not come about—the employees are going to be shifted into a different work context. I do not think that all the problems of the transfer are going to be worked out within a 2-year period, and yet we have the real possibility that at the end of that 2-year period, the employees could be thrown into a total state of changed circumstances, because all these provisions then could be changed on them. I do not think they should be asked to simultaneously accomplish the adjustment of the transfer to the authority, with all the turmoil that in and of itself will bring, and also, within a very short time, adjust to the fact that the protections no longer exist, since they were provided only for a 2-year period.

This amendment would extend those protections for at least 5 years. I must say that I considered making the period even longer. I think they ought to enjoy these protections. Their entire work career has been in the Federal service and has been related to Federal law and Federal benefits, and they are going to lose that, once they go into this authority. Clearly, they will lose it after the 2-year period.

Not only does this cover the items I mentioned with respect to labor agreements, basic and premium pay, accrued annual and sick leave, seniority rights, life insurance and health insurance programs, and termination provisions, but also, once the 2-year period is over, as I read this legislation, these employees are fair game, so far as the employing authority is concerned.

They no longer have the protections provided in the legislation because they terminate after the 2-year period commencing on the date of transfer.

I do not think this is dealing adequately with men and women who have devoted a lot of their career and effort to the Federal service.

Therefore, I put forward this amendment.

Mr. TRIBLE. Mr. President, I must oppose this amendment. I believe that this legislation provides substantial protection to the good men and women who have served at these airports.

I shall read from the report of the committee that discusses the various provisions of this measure. I quote from section 9, page 15, of the committee report:

> This section assures that the permanent Federal employees at the airports who would transfer to the new Authority will retain for 2 years the important existing aspects of their employment relationship with the Federal Government. The Committee adopted the same approach in legislation in 1983 transferring the Alaska Railroad to an entity of the State of Alaska, and believes that this arrangement proved satisfactory.
>
> Employees would be guaranteed retention in their current positions, at current salaries, for 2 years following transfer. Premium as well as basic pay rates would be protected. Annual and sick leave balances would transfer, and leave accrual in these accounts would be guaranteed for 2 years at the same rates as apply to Federal employees. Life and health insurance comparable to Federal programs would be available to the employees for the 2-year period as well. Labor agreements would be honored for up to 2 years while renegotiation occurs. An employee with retirement rights under Federal civil service law would be assured continuation of those rights (not just for the 2-year transition period, but upon retirement, including early retirement). Non-transferring employees would be entitled to the rights and benefits available under Federal law for separated employees, other than severance pay, as all employees are guaranteed a job with the new Authority.

This language, I think, makes clear that the legislation goes the extra mile in providing a host of protections to those Federal employees who work at National and Dulles Airports.

It seems to me that 2 years is a reasonable period of time. To go beyond that simply ties the hands of the new authority.

The whole purpose of this legislation is to free these airports from the shackles of the Federal Government, to turn them over to a regional airport authority that can more efficiently and effectively operate these airports, that can go about the important job of expanding, modernizing and enhancing their operations.

I understand the Senator from Maryland opposes this legislation but again the thrust of this legislation is to turn these airports over to the regional authority that can better manage them and can improve service for all of our citizens.

It seems to me that by extending this period of time, we may very well compromise that ability.

Let me at this point, Mr. President, suggest the absence of a quorum.

Mr. SARBANES. Mr. President, will the Senator defer? I will be happy to speak for a minute.

Mr. TRIBLE. I will defer that request so my colleague can speak.

Mr. SARBANES. Mr. President, I think the Senator's comments have only underscored the concern that I expressed. The employees ought to realize that after 2 years it is fair game as far as they are concerned. Even my amendment only protects them for 5 years' time, but the retention in their current positions, the pay rates, annual and sick leave balances, leave accrual, life and health insurance, comparable to what they now have, labor agreements, termination rights, after 2 years all bets off. And they would be open then, as my friend from Virginia said, to the authority's exercise of "flexibility" which it was seeking.

I do not think that is adequate protection for people who devoted their career to the Federal service who I think have done a good job of it. The difficulty at the airports has been on the question of capital improvements. I do not think it is on the question of the work performance of the employees as that has invariably drawn high praise and commendation and been perceived as being extremely effective.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. TRIBLE. Mr. President, I have listened to the statements of my colleague from Maryland. I have shared with my colleagues the substantial protections that are a part of this measure. I believe the protections are adequate. But I also recognize the hard work and substantial contribution of these Federal employees through the years. Perhaps we should go an extra mile in affording them the fullest possible protection.

Erring on the side of the employees and recognizing their hard work and contribution through the years, I will not oppose the Senator's amendment and would support its adoption at this time.

The PRESIDING OFFICER. Is there further debate on the amendment? The Chair hears none.

The question is on agreeing to the amendment.

The amendment (No. 1755) was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TRIBLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, I wonder if I might now take the opportunity to engage my colleague from Maryland in a colloquy in order to find out precisely what his thoughts are about where we go from here. Senator SARBANES tells me he has a number of amendments and that there are amendments that will be offered by Senator HOLLINGS and Senator MATHIAS. I am anxious that the Senate has an opportunity to work its will on these amendments. I would anticipate a recorded vote in the near term, but I am anxious for us to proceed apace. I would, therefore, ask my colleague what his intentions are at this noonday hour.

Mr. SARBANES. As the manager of the bill knows, I am not the only one interested in offering amendments to this legislation, although I do have a number of amendments to offer. One of my colleagues, as I understand it, is on his way now to the floor in order to offer a major amendment, which he has earlier talked about and filed. It would be my anticipation, upon his arrival, that he would then have the opportunity to present his amendment. As I understand it, he is on his way here, and that would work with his schedule and, I assume, the schedule of the manager of the bill.

Mr. TRIBLE. Well, the manager of the bill expects to remain on the floor prepared to respond to amendments. I would encourage the handful of opponents of this legislation to come forward with their substantive amendments.

Moreover, I would once again ask my colleague from Maryland to share with me, if he could, the amendments that he proposes to offer before they are offered. That will expedite the proceedings. So far, two of his amendments have been accepted, others opposed and defeated. But if our intention is to stengthen this measure, then it seems to me that there will be opportunities for us to agree and work together. So to the extent that it is possible, recognizing the dynamic nature of this legislative process, for my colleague to share his amendments before they are introduced. In that way we can move along expeditiously and hopefully resolve this matter today and permit the Senate to move on to other affairs.

Mr. SARBANES. I would say to the distinguished Senator from Virginia that the areas that I think will need to be covered to one degree or another in the course of the day are the areas of deficiencies that I talked about yesterday. Some of those have already been addressed here this morning. The noise question was dealt with. Whether another amendment on noise might be offered later remains to be seen. We have now discussed airport employees for a considerable amount of time. There is the continuing problem of the representation on the authority board and the very pressing cross-subsidization problem which can be addressed, of course, in a number of ways. And I would say to the Senator that that is a very fluid and dynamic situation because what one does or how you follow on depends on what happens previously. So it is a highly interrelated area but one that is very important.

There is the price question, which others have had, as it were, lead amendments. Then there is the use of property and then I have a few miscellaneous amendments. I touched on them in the debate, I would say to the Senator, one about charging the Federal Government for use of these facilities which seems almost shameful, I guess, in light of the giveaway price at which these airports are being transferred. It is really adding insult to injury. And I have a few other amendments of that sort. But that is generally the lay of the land as I see it with respect to amendments. We would expect to be offering them as we move through the afternoon and debating them for a reasonable period of time and going to a vote on them.

Mr. TRIBLE. Bring them on, I would tell my colleague from Maryland. We are ready to go. We are ready to address your concerns and resolve your amendments.

Mr. President, I see the Senator from South Carolina. I understand it is his intention to offer one or more amendments, and I hope that he could proceed at this time.

AMENDMENT NO. 1745

(Purpose: Add provision relating to transfer price)

Mr. HOLLINGS. Mr. President, I call up my amendment to S. 1017 relative to the price of transferring the Metropolitan Washington Airports to the independent authority, on behalf of myself and the distinguished Senator from Maryland, Senator MATHIAS, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for himself and Mr. MATHIAS, proposes an amendment numbered 1745.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, strike all from line 21 through line 6 on page 30, and insert in lieu thereof the following:

(2)(A) Basic lease payments shall be sufficient to repay to the United States an amount equal to the fair market value of Washington Dulles International Airport and Washington National Airport, at an imputed interest rate for such repayment, within thirty-five years after the date of transfer.

(B) In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of the Metropolitan Washington Airports, and any such appraisal shall be conducted within six months after the date of enactment of this Act. The Secretary shall determine the fair market value of the Metropolitan Washington Airports by calculating the average of the values specified in such appraisals, except that in no event shall such amount be fixed at less than $111,400,000.

Mr. HOLLINGS. Mr. President, in presenting this amendment, perhaps it would be good for the author himself, by way of emphasis, to read the amendment, that the basic lease payments—this is under section 2—"shall be sufficient to repay the United States an amount equal to the fair market value of Washington Dulles International Airport and the Washington National Airport at an imputed interest rate for such repayment within 35 years after the date of transfer."

The effect of this amendment which I offer for myself and Senator MATHIAS would be to change the transfer price of the two airports from the estimated Department of Transportation price of $47 million to the fair market value of those particular facilities. Section B. In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of Metropolitan Washington airports, and such appraisal shall be conducted within 6

months after the date of the enactment of the act. The Secretary shall determine the fair market value of the Metropolitan Washington airports by calculating the average of the value specified in such appraisals except in no event shall such amounts be fixed at less than $111,400,000.

The reason for the $111,400,000 Mr. President, is the book value. We know from the GAO and the Department of Transportation exactly what the value of the airports are, less depreciation. Mind you me, on that book value, it is not necessarily market value by any manner or means. The thousands of acres for example at Dulles, in my opinion, this particular Senator having dealt a little in real estate, would double that amount. Just the plain acreage would be worth several hundred million dollars.

I want to go, before emphasizing these particular features of the bill, to the bottom line argument with respect to this approach. The argument against it is the fact that, look, if you go in, and acquire the fair market value price for the U.S. Government, then all of the users, Senators, and Congressmen are going to have to pay through the nose because when the only way the airport authority can pay for that higher cost is to increase the different fees, the ticket prices, and everything else.

Of course, we like what we have there now. So why vote, and on the one hand make it very difficult for the new authority to manage the airport at a high cost, or otherwise run the price up for you and me, and you, you, you, and everybody else around here. Proponents of this bill will not argue that publicly but that will be the sub rosa mentality in the approach here.

My counter to that as the practical fact of life is that the Metropolitan Washington airports under this particular bill, if and when enacted, shall be designated for the first time as a public airport. One of the big points of resentment to me, this Senator, is that having paid in my 8 percent ticket tax—mind you me, I travel a good many weekends, for example, to my home State or to other commitments. And I can tell you coming in during a Presidential race in 1982, 1983, and 1984 that I have flown in and out of those airports, I would take it, as much as almost anyone.

So I am pretty well familiar with all three airports. I use Baltimore Washington International and National. I use the National Airport here in Washington and Dulles regularly. So you will understand the genuineness of that statement. On a Friday afternoon, for example, if I can get out just about 40 minutes ahead of the 3:20 flight, if I can get away around 2:30 rather than try to go to the National to catch an air flight that connects me through Charlotte to go down to Charleston, it is smarter for me if I can get that break from the floor of the U.S. Senate to go over to BWI. I can get over there in the 40 minutes, catch a 4 o'clock flight that goes directly to Charleston, SC, and not have to stop over in Charlotte. It is a better service.

So we play that game of trying to get back and forth. As we play it, we put 8 percent of that ticket amount—incidentally, the ticket amount makes me, along with the service, a born-again regulator. Having been on the Commerce Committee when we deregulated, and having been told how moderate-size airports were going to receive the benefits and the protection, we were going to get lower costs and increased services, certainly it was not going to diminish—the point in fact of life is that the rights to three regularly scheduled flights from Charleston, SC, to Washington National have been sold off intermittently through National Airlines to Pan Am, to Air Florida, to whoever. I do not know. They got the millions of dollars.

That is why I am so strong in support of and sponsored the Kassebaum-Hollings amendment, so they could not sell off airport slots. Those particular landing rights were given there for the public convenience and necessity of the traveling public from Charleston, SC, to Washington, DC, not to an airline to make money and sell off the service to some other particular community. They were established after appropriate hearings.

Having seen those slots sold off, I now have diminished service. No longer are there three flights into Washington, or three flights out of Washington National back home, but instead I must go through Charlotte or through Atlanta, GA. It costs you $180. You do not get any combined round-trip cut on that. It costs you $360-some round trip this minute to go there.

I happened to have occasion to run across a friend who flew from Washington to San Francisco, to San Diego, and back to Washington DC this last week, and it cost him $278. He went all the way across the continent, all the way down to San Francisco, to San Diego, and came all the way back. I know that this happens regularly all too well, because next to the counter where I usually board the plane is a flight to Miami. You can fly directly down to Miami, some 500 miles further, for $90-some, or one-half the cost, and get there an hour earlier.

So you can understand my experiences. You learn through hard experience about this so-called deregulation, how wonderful it is, about the cheaper price, and the increase of service that you are to receive. The truth is, and it will be a matter of national concern in this Congress in the next year or two, perhaps not this year, where we will understand and appreciate that 85 percent of the travelers of this country are subsidizing some 15 percent of the people—those that travel between the centers of Washington and New York, Los Angeles, San Francisco, Seattle, or to Las Vegas, and what have you.

So we have been subsidizing those, and we are getting diminished service. Yet, we must now come back to the point of Washington National and Dulles under the interpretations, of what is a "public" airport. Really the "public's airport," the one that belonged to the Federal Government of all the citizens of the United States, not under an authority, but belonging under the Constitution, for all the people, we the people of the United States, is an airport that has been designated by the FAA as not public.

Isn't that wonderful?

What they did, under their interpretation, was to say that they could not give any money out of the Airport and Airway Trust Fund to either National or Dulles. They can collect the 8-percent ticket tax there which is deposited into that trust fund, but they could not give any of those moneys to either airport.

Well, that is unconstitutional. If we do not succeed here, we will succeed otherwise. We can bring a case under due process where I am paying my taxes for a stated purpose under the act with the congressional finding and not being able to appreciate and enjoy those things. I just have not had time to practice law as well as being a Senator, but the fact is that that is now being clarified in the substantive bill that has reached the floor, S. 1017.

On page 46, line 18 of the bill it says, "The Metropolitan Washington airports shall qualify as a "public airport" under the terms of the Airport and Airway Improvement Act of 1982."

It is very interesting that the Secretary of Transportation supports that for the authority but not for herself. I asked if she would support that if I put in just a separate bill. Oh, no, she did not want the airports to be declared public airports, Washington National and Dulles, for her own responsibility. She does not want this responsibility. She is trying to get rid of it. There is no doubt about it, that the majority leader is helping her because he has to go home at night.

So we have the full court press to get this thing up, up and away.

The point is to those users, Senators and Congressmen, who are wisely thinking their costs are going up, it is not so. For the Government to get the fair market value, now Washington National and Dulles Airport both should get the $250 million or $500 million, making whatever estimation

you want. As public airports they deserve it. The users have been paying in and not receiving any of the moneys for the past 16 years. Having paid in and participated, now comes the time for Washington National and Dulles to get their moneys without the issuance of bonds.

We have been running around talking about how they could issue the bonds. This Senator has taken the position that in order to get the $250 million they have to spend some $712 million in order to receive the bonds.

The truth of the matter is that under this particular provision they will qualify. I have a list of airports here, just the top 10 recipients, which qualified in the past, fiscal year, for money from the trust fund.

Under the authorization act passed by the Congress in, 1982, a certain amount is authorized to come from the Airports and Airways Trust Fund. One billion dollars was given to that trust fund last year. There is more than $7 billion in the fund today.

Kahilui, HI, got $24.3 million; Miami, $28.8 million; Houston, $23.3 million; Atlanta, $18.5 million; Los Angeles, $16.5 million; JFK, $16.3 million; Newark, $12.6 million; Fort Lauderdale, $11.7 million; St. Louis, $11.1 million; Phoenix, AZ, $11.1 million.

Just that quick listing total $171 million that was given out at the discretion of the Airports and Airways Trust Fund managers. In all, some $939.6 million was given out.

So these two airports will qualify. We are not running up a price for the members and we are not running up a burden for the authorities. In fact, if they ever appointed me on that authority I would wait a long time before I issued all of those bonds and go to all of those extra expenses. Rather, I would wait until I got equal treatment out of that trust fund for both Dulles and Washington National.

That being the case, we know now that $47 million, which the Department of Transportation calls now the transfer price, does not reflect the Federal investment in these two very valuable properties. More importantly, at a time of mounting Federal deficits, the national interest is served really by maximizing the return on our investment at those airports.

Gosh knows, here the Congress sits around day in and day out and tells Secretary Weinberger how to run the Defense Department. They really come up here to a point of exhaustion trying to answer every little picky-picky question that every Member, Senator or Congressman, can think of. One of the big ones is alternative bidding. "Why don't you lower the price? It costs too much. That is too high." Do this and that and everything else, that is in order to get the market value. They would not think of giving away as trustees, as we are, Federal public properties, giving it away to an authority or to anyone, really. But it is pell-mell now because the Secretary of Transportation has never asked the administration for the moneys. She has never asked to qualify the public airport as being a public airport. She has never moved to try to make the improvements. She just says:

> This is one of the responsibilities that I can offload with a sweetheart deal to the former Governor of Virginia and giving him a controlling membership on the new authority and he will come around and smile convincingly what a wonderful businesslike situation this is.

I will have to find that editorial they put out a few days ago. It dovetails right in with the Washington Post. They write what they want the Members to read. They argue more effectively and certainly more extensively in the Washington Post than a Senator is allowed for time and attention on the floor of the Senate itself.

Let us read it.

It says: "Why the Airports Bill Makes Sense.

"Before the Easter break, the Senate managed to survive and short-circuit the filibustering of Senator Paul Sarbanes against a sound bipartisan bill to get the Federal Government out of the expensive business of operating two airports."

That is all fallacious. Start with sentence one. Anybody who writes that is an ignoramus.

The Senator from Maryland is doing his business here to bring to the attention of his colleagues, hopefully, past and direct pressures brought on by the Secretary of Transportation and the majority leader for the giveaway. I have joined him. We have extended debate on this particular measure with very sound amendments, very sound proposals and very sound arguments. Please stop, look, and listen.

So it is not a filibuster by any manner or means.

To get the Federal Government out of the expensive business? Those ignoramuses ought to understand what is making money and what is not making money.

Right to the point, this is a money-making proposition. They made $17 million in 1984. They are making money out there now. They are charging fees. They are getting parking facility charges and all these other things. So that is not an expense to the Federal Government. We are making money out of the two airports. So let us correct sentence No. 1. I never read these things carefully but you do not have to study them because they are really nonsense when they write these editorials. They are authors who obscure the truth and highlight, as they will. Any kind of fanciful nonsense that they can put together and hope you will read and run in Pavlovian fashion, pell-mell, and "Whoppee, I voted for something that made sense," as the Washington Post headline makes sense. We live in the age of headlines rather than headway.

Then they say:

> Now the challenge will be to endure a series of equally shortsighted and long-winded efforts by the Senator to destroy the airport transfer bill that makes so much practical and financial sense for the Federal budget and for regional responsibility.

Where do they get regional responsibility for the National Zoo? Where do they get regional responsibility for the Capitol Building that we are in? Where do they get regional responsibility for the Botanic Gardens? Where do they get regional responsibility for the Library of Congress? These are national facilities and national Federal endeavors built both these airports. They belong to all the people—the people not just of Virginia, but of South Carolina and everyplace else.

Regional responsibility. Those are the people that built up everything around us. The truth is we had the airports and then Crystal City developed thereafter. Then they want to close the airport. They said do not land or take off after a certain time of day because we have built up all the buildings around you.

Regional responsibility. This is regional irresponsibility. Who is the ignoramus that wrote this editorial? I never heard of such nonsense.

The responsibility belonged to the people of the United States to provide facilities. We spent a lot of money building National, a lot of money building Dulles Airport, and we are spending money trying to get transportation out there and highways—millions and millions of dollars' worth in extra highways for access and everything else.

What we have, in essense, done is given a veritable industrial park to the State of Virginia going out to Dulles. It is just booming, going, and growing. I wish I had it in South Carolina. It is better than any kind of thing on the west coast of high technology or any other kind of development of that kind up in Boston, MA, and Lowell and New Hampshire, any kind of high technology park or whatever it is. They will be getting the best of brains, the best of talent, the best of research facilities, the best of corporate headquarters—all because we put, at the expense of all the people of the United States, the facilities out there at Dulles and we have turned farm land into the nicest developmental land that you can find in the United States today.

Last year, Dulles experienced a 47-percent growth in airline traffic. No one else can compare to that. We have the facts to show the Transportation

Secretary, because she furnished them to us on that particular score.

The Senator is not trying to destroy anything. He is trying to bring sobriety and sense to the Congress itself—finanical sense for the Federal budget.

Where is the burden on the Federal budget? I can tell you where the burden is going to come. What we have now that is making money is going to cost 366 million extra dollars in tax expenditures. I say that categorically as a former chairman of the Budget Committee and a present senior member on that particular committee. When I go look at the budget, I look not only at expenses, I look not only at taxes or revenues; I look at the fastest growing item, even faster than interest costs, even faster than national defense. That is the matter of tax expenditures.

The "loophole committee" is what I call the Finance Committee. Senator LONG, and I have said this before most respectfully, did a way better job than Senator STENNIS on defense. The loophole committee expanded the loopholes way, way beyond any expenses, way better than President Reagan right now.

Senator PACKWOOD on the loophole committee, Senator DOLE preceding him, did way better with the loophole committee than Secretary Weinberger and President Reagan did on national defense.

Look at the loopholes, the tax expenditures, and find out where we are losing the money and the sea of red ink is rising.

That is what we are trying to stop. They said we are going to grow out of it. They tell us in this bill to dive in it. We are not going to grow out of a sea of red ink.

"Practical and financial sense." This demeans a supposedly literate and intelligent medium, the Washington Post, to talk about financial sense when they have to know otherwise because they have a good budget section. They have written some splendid articles that are relevant to the Federal budget. Although they really do not understand Gramm-Rudman-Hollings. In any event, they do the nicety of calling it Gramm-Rudman-Hollings. Whether that is a blessing or not is another question.

Reading now from the editorial: "The bill as it represents the carefully considered work of a commission."

If you want to see a ragtag commission, look at that crowd. They did not study anything. I have a copy of the report.

The commission report is on a sheet of paper. Anybody who knows about a commission has sense enough to get the thing bound and published. This is just a letter.

Do not give me that part of it. Where is any kind of commission report?

What they did was put together a conspiracy. It was not a commission. They said, "Politically fix this. Take care of Maryland if you can, take care of Mayor Barry downtown if you can, but do your best to keep control. You know what the idea is. We are trying to give you a billion dollar facility. You are going to get it and you are going to get that money from the airport trust fund. You will all get rich."

So the carefully considered report has five pages to it. It says, "The valuation of the airport property is a difficult business." Ha. So that is all we get out of them. Where is their valuation? Do we have valuation? No.

That carefully considered report. They would not dare put a valuation on it. They were not going to find out what the thing was worth. That would expose the conspiracy, I say to the Senator from Virginia. It would be a terrible thing for this giveaway for "Ferdinand" Holton.

Every fellow wants to get money, whether it is Baby Doc Duvalier from Haiti or the Shah of Iran who wants to get his nose in the Federal till, or Somoza down there with his dictatorship that we got in Nicaragua, or Ferdinand Marcos. Now comes Linwood Holton to get his nose in the Federal till.

What a wonderful sweet deal this is. Millions of bucks for nothing. Pure profit; you pay $47 million. You get that much from the airport and airways trust fund or you ought to resign your job, or at least get $70 million. Jimmy Carter took $100 million back to Atlanta, Lyndon Johnson took $150 million down to Dallas-Fort Worth. Some of these folks that want a suntan in the wintertime and get into St. Thomas, they felt we ought to have $90 million. That was the figure under the airports and airways trust fund, so we could build the runway out in the ocean. That cost $90 million there. They could pick up all these moneys there.

So in essence, they are getting the thing just about free of charge. Yet, they talk about the "careful" commission report.

I had not yet read this editorial. I would have been on the floor a lot earlier and been more helpful to the distinguished Senator from Maryland on this score had I done so. But as it says, it represents "the carefully considered work."

They did not work at all. They conspired and wheeled and dealed, "a commission appointed by Transportation Secretary Elizabeth Dole, headed by former Virginia Gov. Linwood Holton and supported by Gov. Gerald Baliles, former Gov. Charles Robb, Senators PAUL TRIBLE and JOHN WARNER." You do not need your name in the Virginia conspiracy. You ought to have better commonsense than to put your name in a conspiracy. I would have better sense than that, at least as I say, writing this stuff in black and white. Just say they have distinguished Americans. Linwood and Gerry Baliles and PAUL TRIBLE and JOHN WARNER are distinguished, and the Secretary herself. Just say distinguished Americans, If you want to find out anything further, you would have to research.

They have children down there writing editorials now. They just list the conspiracy "and just about anybody else who has given thought to the folly of the U.S. Government's continuing to run and repair National and Dulles Airports."

The folly. That is one of the sensible things they have done. What has been folly about it? No one has been really complaining too much about the whole system. We do need improvements, but you cannot have everything. We have been kind of constrictive. Very few of the Members realize there is a trust fund that the taxpayers, airport users, are paying in those taxes, paid in to embellish and enlarge the fund to the point where it has a $7.7 billion balance.

I was asked just the other day, "With all the problems of the Gulf of Sidra, with all the problems of Libyan terrorism, and Nicaragua, and Contra aid, and the budget and tax reform, why are you folks on the floor of the U.S. Senate taking up all this time?" I said, "Because the majority leader has got to go home at night." That is why. I understand that. Everybody should understand that. He is the leader. You have to be a leader and if he cannot get this bill out of the way, then he is in deep trouble. And so I understand that and I agree with him. But Heavens above, let us not write editorials about giving thought to it, because we have given thought to it. It just did not hit us cold. We have asked everyone around and no one can give a logical argument why we ought to spinoff $1 billion of property for $47 million. In fact, if they did that over in the Pentagon they would just about disband. They would have spasms on the floor around here for months.

Now talking about spasms, here it says "In one breath, that took hours, Mr. SARBANES"—well, they want to demean the Senate, the child who wrote this—"In one breath, that took hours, Mr. SARBANES argued that the bill would permit unfair competition against Baltimore-Washington International Airport and that BWI has been a stunning success, an efficient and convenient airport." Well, we agree with that. "There is no reason BWI's success can't continue—and indications are that this excellent Maryland airport will flourish as part of this region's air transportation system."

Well, you can take the profits. Whoever wrote this ought to understand you take these profits plus the extra moneys and not only put in the facilities, but subsidize the operation out there at Dulles. You could also start putting in extra transportation service to get you from the District of Columbia. They might have a little congressional bus down there. I have got influence with Senator TRIBLE. I am convinced if this bill passes I could go to Senator TRIBLE and he would have a little airport bus, and they could easily afford 25 cents for a ride to Dulles. That would be a pretty good deal for me and a pretty good deal for him because then I would feel a little obligated to him, a little bit more supportive of this. But I am sure we will get the Trible transport that will take you out to Dulles for 25 cents if we pass this thing. And if I can get that, Baltimore-Washington International, which has been paid for by the taxpayers of Maryland, could not possibly afford it. In fact, they would run the Governor and the operation out of Maryland if they tried to do that. But we can do that and take care of each other.

I hope the Senator from Virginia would remember that idea. Please help me get out there and subsidize anything else that he can find for me, because we like each other and we want to show that this thing can really be a success. We would be using the public's money all around, with the taxpayers giving even further subsidization not only from the Airport and Airways Trust Fund but through tax expenditures. We are going to sue the taxpayers of Maryland, South Carolina, including Virginia and California and the several States under tax expenditures to take care of this thing further, which is absolutely fiscally stupid. There is no question about that.

(Mr. GORTON assumed the Chair.)

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. Yes. You are going to give me a little ride out to Maryland?

Mr. SARBANES. The Secretary is transferring as part of this sweetheart deal the Dulles access road over to this authority which cost $60 million to build.

Mr. HOLLINGS. They are giving them a highway, too?

Mr. SARBANES. Yes, they are giving them a highway, too.

Mr. HOLLINGS. Good gosh. We have the Trible bus. This must be the Warner Highway. Golly, this thing gets worse, it really gets worse when you stop and listen to what those who have given a $60 million highway are going to give away here. This is a wonderful deal. Reading further from the Post editorial, "Dulles and National, already linked as Government properties, would be leased to a regional authority that could relieve the Federal Government"—relieve the Federal Government—"of an estimated $500 million in necessary improvements."

Well, the Government was relieved of $1 billion, without this bill, of necessary improvements. That is the policy of this National Government, to take the moneys from the users, put them into a fund and relieve the Government by issuing the moneys from the fund. So we do not need this bill to relieve the Government of $500 million. We have the money down there. We are in a deserved position. We deserve it.

We, who use National and Dulles have been paying for 16 years into the fund and, yet those airports have been barred from getting 1 red cent. So it is now our turn to come to the till and relieve the Government of any kind of expenditures because they cannot expend it save on airports and not necessarily the regional and State airports of the particular States. But, rather, we do have two national facilities that belong to the Federal Government and we are the people of the United States, so we are ready to relieve the Government of that $500 million in necessary improvements without this bill.

The next paragraph: "That should be fiscal incentive enough for the Federal Government to place responsibility for Dulles and National where it belongs, in a public authority"—as if it is in a private authority now. We have a public authority now—"that includes the representatives of Virginia, the District, and—yes—Maryland."

Well, we already have a public authority that includes Virginia, the District, Maryland, and all the other 48 States. We have that now. If the individual who wrote this is trying to look for breadth of authority, we have the breadth of authority, and now we are giving it up, confusing particular regional concerns with national concerns.

Next sentence: "But Mr. SARBANES has tried to raise all sorts of scares"—they are not scares; they are facts. We live in the real world—"contending that the transfer could lead to flights in the night over National"—they could. They could lead to flights in the night over National—"and nonaviation use of Dulles some day." They could do it. You get momentary pressures. You get States in deficit positions.

I am glad this is not down in Texas or Louisiana. Down there by Baton Rouge, where there is a shortfall, they are looking for millions. They are looking for $260 million or more down in one little State of Louisiana. Suppose that happened in Richmond, VA, and you were the Governor and you saw all of these people up here on the public till, making all of this money, coming back and forth, flying in and out, with all of these big high-priced lobbyists and everything else like that coming in and out of this place. They would say, well, we could put on a little fee, charge some more for the parking, take that $60 million highway and put a little toll booth on it and say we have not paid for the highway yet and let us get some more moneys. I can tell you, as the Governor, you can get reelected on that. You can get reelected on relieving your State of a fiscal burden. We are putting ourselves in the lion's den here in order to understand and appreciate it and know what is going on.

Next: "What it will lead to is the operation of two airports with improved facilities"—which can easily be had now—"under a 35-year lease, not a sale"—we will have an amendment to make sure it is a lease. We are not guaranteed that. The measure does not say that. I do not see why they do not put that in the particular bill. It would require an amendment. But this thing has gotten up and obscures the facts just as they write a scare editorial, if you want to talk about scare—"that will better serve the Congress, the airlines, this region and the traveling public. That is incentive enough for Senators to support the bill as submitted."

So you have the message from the Washington Post that dovetails in. That says: "Let's, by gosh, make sense. Act like business people and fix authority there with respect to Virginia and the District and Maryland and everything else of that kind." They will understand, as Alice in Wonderland. Before we decide where we are headed, we had better decide where we are. We are into a fine situation.

There has been no problem. The problem has been political. The problem has been indecision. The problem has been inaction. The problem has been inattention. We in Congress have been guilty of inattention, and those in the Department of Transportation have been guilty of inattention. They have no request of the Office of Management and Budget in the past 5 years to make these particular improvements. The money has been sitting there. They know how to get the money.

They know how to put in a bill to get rid of the responsibility, but they have not been answering to their own responsibility.

If you think that is a fair price, let me refer to the National Taxpayers Union, a letter dated March 18:

DEAR SENATOR: Soon you may be asked to vote on S. 1017, the Metropolitan Washington Airports Transfer Act. This bill would transfer ownership of Dulles and National Airports to an independent authority dominated by the Commonwealth of Virginia. We urge you to vote "No" on this sale.

Although, we agree that the federal government should get out of the business of owning and managing airports, we are ap-

palled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet, the two airports are to be sold for only $47 million—about 1/35 their actual worth.

In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.

Given the nation's tremendous budget deficits and $2 trillion national debt, it is fiscally irresponsible for the federal government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and National be raised to reflect their true worth. Otherwise, the sale should be rejected.

It is signed by Jill Lancelot, Director of Congressional Affairs.

Mr. President, there are two things on which I stand corrected. I was using a price of $1 billion because I knew of the offer made for that amount. But the National Taxpayers Union, which has made an equally in-depth study as the commission did—let us put it that way—has come up with $1.5 to $2 billion. So I stand corrected on that. But I can correct them in the next paragraph, when they talk about a double soaking of the taxpayer. The double soaking of the taxpayer is really a triple soaking of the taxpayer.

The taxpayer comes soaked. All of them, as airport users, have been paying that 8 percent. That is the first soaking. The giveaway price is the second soaking, and the tax-exempt bonds is the third soaking. So we have a triple soaking of the taxpayer.

That is why our amendment would require the Secretary of Transportation to have three independent appraisals made of the airports' fair market value, with the transfer price thereafter to be determined by an average of the three appraisers. The appraisals are to be made as airports and not commercial real estate.

To ensure the realization of the Federal investment, this amendment would require that the airport authority pay at least the book value of the two airports should the fair market value fall below that amount.

The Holton Commission claims to have made such a thorough study and could not find any price, they are coming up in the Department of Transportation with the giveaway price of $47 million, and you get very fearful. So that is why we put a caveat in there that at least the airport authority pay an amount equal to the book value.

As of May 31, 1985, the FAA accounting records indicated that the book value of the two airports was $111.4 million—$29.4 million for National, $81.8 million for Dulles, with the difference being shared accounting and personnel activities.

I strongly believe that asking the proposed authority to pay a mere $47 million over 35 years is simply bad public policy. If this body must agree to this legislation, the Senate must not send a signal to the people throughout this Nation that in spite of trillion dollar deficits, we are willing to give away valuable Federal assets for nothing.

I believe that, at a minimum, the Senate must approve this amendment. It would be irresponsible to do otherwise. No Senator could come back hereafter with face and talk about waste, fraud,, and abuse. No one from the other studies—whether the Grace Commission, or the General Accounting Office—could come with any face and say: "Here is the Golden Fleece Award for you this week, because you have wasted $10 million, you have wasted $20 million, you have wasted $30 million."

On the contrary, you are wasting $1 billion. That is the round figure. You are wasting 1 billion bucks, $1 billion worth of $600 toilet seats.

We could buy how many toilet seats for that? We ought to find out how many coffeepots, because they get on the 7 o'clock news and they preempt the whole news hour, going along with what a terrible thing it is to have a coffeepot and a toilet seat. We last estimated that the cost of issuing bonds for improving these airports, some $712 million would buy 60,000 toilet seats, I think. I do not know how many coffeepots or how many pairs of shoes. They are very good on Madam Marcos' shoes now—size 8½—and how many dresses and whatever else.

We can fix in very dramatic way a coffeepot or a toilet seat and get re-elected on waste, fraud, and abuse because "I'm getting the Golden Fleece Award, and I'm for fiscal responsibility, and I'm for a balance budget, and I'm for a dollar's worth of work and a dollar's worth of pay, and every dollar spent comes from the pocket of a taxpayer in America."

We know all that. But do not come around here because you want to do a favor for the Department of Transportation and your colleagues in Virginia and say: "Well, you know how it is. The people back home in South Carolina or the people back in California or New York do not even know this is going on. It is just a little Washington argument and fight, and I can help out my Senator friends interested in this thing and just give the property away. But when it comes to Cap Weinberger and national defense, let's organize a lynching party and talk about nothing but toilet seats and coffeepots, thousands and thousands of them."

Do not vote for this and ever raise your voice, keep it sealed and at least maintain your dignity about waste, fraud, and abuse, if you cannot support this particular amendment, because this amendment goes with the support of the National Taxpayers Union and the common sense of the Senate itself.

I would like at this particular point to perhaps get ready to yield the floor to my colleague from Maryland, Senator MATHIAS, if he wishes to join in on this presentation, because the distinguished senior Senator has been assiduous and very helpful in this particular presentation we have tried to make. It is not a Maryland presentation but one fairer for the people of Maryland, Virginia, the District of Columbia, and all other States combined as well as the leadership, of course, of the distinguished junior Senator, Senator SARBANES, who has been leading the fight for common sense on this score.

So I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, as my colleagues may have determined by this time, Senator HOLLINGS opposes this measure. He has spoken now on several occasions at some length. His opposition, I am sure, is multifaceted.

But I want to respond to the provisions of his amendment that are now before us and will reserve further comment on his other thoughts and concerns as amendments are advanced by our colleagues.

Let me, then, speak to the central argument of this amendment and of an amendment that will be offered by Senator MATHIAS following the disposition of this matter. That involves the price.

It is alleged by some that this transfer is, in the words of my colleague from South Carolina, a giveaway, that the Government should obtain much more, indeed huge sums of money, for these properties.

First of all, I point out that under the terms of this legislation the regional airport authority will be required to pay $117 million, not an insubstantial sum, by any means. But why not more?

It is true the properties at Washington National and Dulles would be priceless if, and I repeat, if they could be put to the highest commercial use, but they cannot.

These lands must be used as airports. They must be operated on a nonprofit basis. The purpose of these airports will be not profit but service to the people. Let me repeat, these properties must be used as airports. They cannot be operated for profit.

Indeed, this is the way all carrier airports in our country operate.

How then do we go about evaluating their value? It is a difficult task, I will tell you. There are no easy answers, but I am convinced, after having studied this for some time, I am convinced, after having talked to a whole host of financial experts, that the value as embodied in this legislation is fair and reasonable. It is fair to the Federal Government and to the taxpayers; it is fair to the people who will use these airports, the people who will have to pay the surcharge.

How do you go about establishing value, or, as the Hollings amendment proposes, fair market value? It is difficult. Again, these properties cannot be put to their highest commercial use. Therefore, they will not fetch these astronomical sums of money about which some have talked. You cannot build highrises; you cannot develop them. You have to use them for airports and those airports, by definition, must be operated for the public purpose and not for profit.

Market value is often based on analysis of income. Here income-stream analysis would give the airports the value of zero—zero—because there can be no income derived from these activities. That is not realistic.

Senator HOLLINGS would suggest book value, and it is the book value computation that is employed in his amendment of $111 million. That incudes a number of considerations, but it includes, in part, properties the airlines bought and paid for and gave to the airports, terminals built by Northwestern, TWA, American, all at National Airport.

It is certainly not reasonable to ask that the Federal Government be compensated for these airports, airport facilities that were not paid for by the taxpayers. They were paid for by the airlines. They were given as a gift to the Federal Government.

There are many ways, I guess, one could go about trying to establish the value of these properties. But after everything is said and done, really the only fair way, the only realistic way is to go about making the taxpayers whole.

It is important to determine here how much moneys have been invested in these properties through the years. And then we should go about reimbursing the taxpayers for those expenditures, making them whole. And that is precisely what this legislation would do.

This legislation would require the authority to reimburse the Government for its hypothetical debt of $44 million. It means the Federal Government has invested in these airports through the years moneys that have not been repaid to date, plus interest at market levels. That is fair. That is reasonable. We are making the taxpayers whole.

To require more would require not Virginia, not Maryland, not the District of Columbia, not some creation of law, namely, an airport authority, but rather the users of this airport to pay not once but more than once for these facilities. That is simply not fair.

Moreover, this bill requires the authority to assume a $37 million shortfall in the Federal pension fund for the airport employees and it requires the authority to pay $36 million to Maryland.

You add all this up and you get over $100 million, $117 million to be exact. That exceeds the bottom figure presented in the Hollings amendment which is $111 million.

Be mindful, moveover, this transfer relieves us, the United States, the Federal taxpayers, of a potential $1 billion liability. Everyone agrees it is essential for us to expand, modernize, and enhance these airports. It is my judgment that we will not do that as a Congress, given the fiscal restraints of the time; therefore, this legislation is essential.

But that has to be done by someone because these airports are falling down around us. Those are Senator HOLLINGS' words, not mine. Indeed, they relate rather graphically the reality of these airports. They have to be upgraded. They have to be expanded. They have to be modernized so the citizens of this region and the citizens of our country, be they from South Carolina or South Dakota or California, can be well served.

After all, these are the gateways to our Nation's Capital.

Finally, in regard to price, a higher sales price might bring more to the Treasury but it would make it difficult, indeed impossible, for the authority to make the kinds of dramatic improvements that are central and it would simply amount to a tax on the Washington travelers who will pay the airport cost through fares and through users fees.

We are not socking it to Virginia by requiring a larger price. We are not laying that burden on some kind of airport authority. We are imposing that heavy burden on the people who will use these airports.

And as much satisfaction as it might give us to impose some huge sum of responsibility, it may well make it difficult, indeed impossible, for these airports to be improved, for services to be improved, and that ought not to be our purpose.

Again, the purchase price is not going to be extracted from Virginia or the airlines. It is going to come out of the pockets of our constituents, yours and mine, the travelers who use these airports.

I would say that this amendment is a clear attempt to destroy this measure. It does not speak with any degree of precision to what the value of this property would be or the cost that would be imposed on the traveling public.

By its terms, it suggests that this property should fetch some market value, the highest commercial value to which it could be placed, which is clearly not appropriate to this situation. Because, again by the terms of this legislation, these properties, priceless as they would be if put to their highest commercial use, must be used for airport purposes, must be used to serve the public. And the bottom line of those operations is not profit, but service.

So for these and for other good reasons, I oppose the Hollings amendment and it would be my intention to move to table that amendment, but not at this point if my colleagues would wish to debate the matter further.

I see Senator HOLLINGS rising.

Mr. HOLLINGS. Mr. President, I thought the distinguished Senator from Virginia would accept it. He accepted an amendment with respect to the employees. This is another one making good sense that says use your Secretary of Transportation, let her get three impartial evaluations and take the mean average and say that is the transfer price. In essence, by moving to table, you are afraid to have it appraised. I noticed that in the Holton Commission. You cannot get there from here. You just do not know how to find it out or whatever it is.

I can tell you, if you go to issue bonds—and that is what you are talking about is an authority and they are going to issue bonds—when you go to the bond market, you are going to have an appraised value. You can dance around the fire and you cannot get there from here and there is no way to really find it out, and just to get the money back, let us not do anything about finding out the fair market value.

I would think the Senator from Virginia would show his good spirit in this particular measure, if he would come forward and say, "That is a pretty good amendment. Why do we object to that? What is sanctified about $47 million? Why not?"

I know about these other things with respect to the $36 million in there for Maryland and the unfunded civil service retirement liability. But the $47 million is in there arbitarily in the light of all the other estimates made by the Taxapayers Union. The Republican administration of President Nixon, they had a higher price of over a hundred million dollars back 15 years ago; the Grace Commission report, far more responsible than the Holton Commission that says we cannot get there from here.

It seems like the Senator from Virginia would want to accept this amendment rather than announce now that he wants to table it. What is wrong with three impartial, responsible bodies making evaluations and then taking that and setting the price? That is the way to go, it seems to me, in light of all the other, the commonsensical part of the thousands of acres, 10,000 acres of commercial property that we see. Like I said, there is a silicon valley out there developing around Dulles. And this Senator knows, as I land in my own airport down at home, that our particular authority has every Porsche automobile flown from Europe into the Charleston International Airport. They have constructed a facility, the authority there, that is a commercial venture connected with the airport. Under your bill, this particular new authority could do the same thing. So they have constructed a building and a parking lot and all of the Porsches, ritzy automobiles, that come into the United States of America, come in through my home authority, the Charleston International Airport.

Now you have got literally thousands of acres out there for that kind of development. That is worth more than any $47 million. I say it is a giveaway price, it is a disgraceful price. So we say, "Well, you know."

"No, I'm not an authority."

"No, you are."

No, you are not an authority, but we can find the best persons around not just on the sale but it will have to be determined by way of return for the market, reliability, land worth, building worth, and otherwise, than if you just closed it down for the issuance of the bonds. That will have to be represented in the bond instrument that we sell these bonds for.

So you cannot evade and avoid much longer. Your authority is going to have to do it. What is the matter with the Secretary of Transportation doing it now? Let her pick whoever she wants and then pick the mean average and she will not have to listen to the argument any more about the giveaway price or whatever else you want to call it, because we all know it is absolutely minimum. The Governor of Maryland walked into our hearings last year and he said, "I will double the price." I just happened to talk to the distinguished senior Senator, the conservative from Arizona, the distinguished Senator GOLDWATER. He said, "I would like to get it for that price."

Everybody here knows that this is a matter of embarrassment to come in here at a $47 million price on these properties with all their accoutrements and say that that is sound, good business sense or whatever it is, as the Washington Post says. In addition to waste, fraud, and abuse, that is what we have this day and time, those running for public office say what we need is more business in Government, need business leadership and business practices. And here we come to get a business practice, a market value, and then, as politicians, we want to stand up and say, "No, you can't get there from here. We just won't find out what it is and I am going to have to move to table."

Let me yield the floor at this particular time.

Mr. SARBANES. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. SARBANES. The Senator from Virginia made the point, in response to the Senator's amendment, that these properties had to be used for airports. Now, there is some language in here that some of this property can be used for, in a sense, other purposes if they related back, but the other point is what happens after the 35-year period. This Washington Post editorial says, "Under a 35-year lease, not a sale." They talked about this being a 35-year lease, not a sale. But if you read the bill, at the end of the 35 years, the title to the real property passes to the airport authority and the requirement that they use these properties for an airport ceases.

First of all, would you say that if you paid $47 million over 35 years, with tax-free revenue bonds, for properties worth hundreds of millions and then at the end of the 35 years you got the title to the property, would you call that a sale eventually?

Mr. HOLLINGS. You used the harsh word "steal," but that is what you and I could call it in common business parlance. If I had a client and I was practicing law, my reaction would be: "You got a steal there. Get that thing and get it quick. Get them to sign it up. Let them put their names on that thing and don't ask them any further questions. That is wonderful. Go out and celebrate."

That is a steal of the Government's property. That is why I characterized it with all of these others, charlatans, potentates, Baby Doc's, and whatever. Everybody else is stealing the public's money. This is nothing more than a dignified steal. We are going to pass a bill to authorize a steal. That is what it is.

You have to look at it in the cold light of day and understand that we have a steal on our hands. That is what has been going on. It is a sweetheart deal and you have the press—the only ones covering this, the Charleston newspapers; nobody else would have a story about this thing. They would not even know it, would not even understand it.

So it just goes merrily through unless we pique the conscience and common sense of our colleagues here in the Senate.

Now, let me ask for the yeas and nays to my amendment, at least.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. MCCONNELL). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I thank the distinguished Chair.

I hope the distinguished Senator from Virginia will not move to table the amendment. I hate to have that motion in the record because the Senator is a most responsible Senator, and one of our leaders on the Commerce Committee. I am privileged to serve with him there. He would not want to table an amendment that says, look, Secretary of Transportation, they have brought in the issue on this matter of the value, and they brought it in in several ways, not only embellishing with the commercial properties the $60 million for the Dulles access road and after the 35-year lease the continued uses thereof, willy-nilly for whatever. But people have come around, the Grace Commission, President Nixon's administration, National Taxpayers Union, Governor of Maryland, a British entity that came and made offers—you have had all kind of offers made, all of them just showing whether or not the value is $100 or $500 million or a billion dollars. We all know it is far in excess of the $47 million.

So why table the Secretary of Transportation coming in and getting three estimates, taking the mean and saying that is the price of the authority? What is wrong with that? I would be glad to amend the amendment if the Senator from Virginia wished me to amend it. I take it he is not responding. So he would rather kill it. He nods in the affirmative.

Well, let me yield the floor at this particular time.

Mr. SARBANES. Mr. President, I want to address a couple of points that have been made in this debate. First of all, at the end of the 35-year period, the authority will acquire these properties free and clear. They will be able to do whatever they want with them. You can have another Crystal City at National Airport if they chose to do that at the end of the 35-year period. So there is no guarantee that these facilities will go on being used as an airport.

Second, no one is arguing that they should necessarily pay a price that is going to burden their ability to function as an airport. But that is not what is happening here. With $47 million paid over 35 years, and financed by tax-exempt bonds, this thing is going to have an enormous cost to the Federal Treasury. It has the cost of the interest on the bonds which would be avoided if they used directly the

money in the Airport Trust Fund. So you have that cost, the interest on the bonds.

Second, you have the cost from the loss of revenues to the Treasury because the bonds are tax exempt. So you have to add that in as well.

Third, you have the cost because you are giving these facilities over at $47 million. The Dulles access road alone—leave out the two airports, just the highway, as the Senator from South Carolina said earlier, there is a highway in here as well as these two airports, the highway alone—is $60 million. That is just being turned over to this authority.

So this is not a bargain basement sale. This is a sub- sub- sub- subbargain basement sale. This is the original fire sale if there ever was one. Of course, it enables the authority to acquire these capital assets at a ridiculously low cost, and then structure its fees in an unfair competitive way. So that is another complication that comes from the fact that this sale is being made on such a ridiculously low price.

There is no wonder that the National Taxpayer Union has taken strong exception to this bill, and this provision for a sale. There is an opportunity here to realize a contribution. The Senator from South Carolina deals with these budget questions in the Budget Committee all the time. He is very much aware of the fiscal constraints in which we find ourselves. Here we are now in effect giving away these facilities when there is an opportunity to recoup at least part of the very significant investment in the range of hundreds of millions of dollars which have been made in these facilities over the years.

As I understand the Senator's amendment, it would provide for obtaining independent appraisals which seems to me to be a very sensible thing. I can tell you, I was on the Holton Commission. There was no independent appraisal of what ought to be paid here. All they did was try to figure some way to find the lowest figure they possibly could. So they took this figure, that supposedly represented what had not been recouped at the airports over the years. They give it an imputed interests rate at 4.9 percent. Then they say that ought to be the sale price.

The question of the sales price was never carefully examined in an objective way. It was only considered in terms of, well, in a sense what is the minimum we can do and legitimatize this transfer. That is exactly what happened. The Senator from South Carolina has put his finger on it.

I strongly support his amendment.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Let me bring this debate on the Hollings amendment to a close. Let me point out simply that the suggestion that these airport propertils can be put to some other use is simply mistaken. That is what is known as a red-herring argument. I would point my colleagues to the bill now before us on page 34. It says that this corporation is constituted solely to operate both Metropolitan Washington airports as primary airports serving the Washington metropolitan area. That is their sole purpose for being.

This is in the document that creates them.

Mr. President, I would now move to table the Hollings amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from South Carolina. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Mexico [Mr. DOMENICI], the Senator from Florida [Mrs. HAWKINS], and the Senator from Vermont [Mr. STAFFORD], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 58 Leg.]

YEAS—49

Abdnor	Grassley	Pressler
Armstrong	Hatch	Quayle
Boschwitz	Hatfield	Rockefeller
Chafee	Hecht	Roth
Cochran	Helms	Rudman
Cohen	Inouye	Simpson
D'Amato	Johnston	Specter
Danforth	Kassebaum	Stevens
Denton	Kasten	Symms
Dodd	Laxalt	Thurmond
Dole	Long	Trible
Durenberger	Lugar	Wallop
East	McClure	Warner
Evans	McConnell	Weicker
Garn	Murkowski	Wilson
Gore	Nickles	
Gorton	Packwood	

NAYS—47

Andrews	Ford	Mattingly
Baucus	Glenn	Melcher
Bentsen	Goldwater	Metzenbaum
Biden	Gramm	Mitchell
Bingaman	Harkin	Moynihan
Boren	Heflin	Nunn
Bradley	Heinz	Pell
Bumpers	Hollings	Proxmire
Burdick	Humphrey	Pryor
Byrd	Kennedy	Riegle
Chiles	Kerry	Sarbanes
Cranston	Lautenberg	Sasser
DeConcini	Leahy	Simon
Dixon	Levin	Stennis
Eagleton	Mathias	Zorinsky
Exon	Matsunaga	

NOT VOTING—4

Domenici	Hawkins
Hart	Stafford

So the motion was agreed to.

Mr. TRIBLE. I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 1764

(Purpose: Expressing the sense of the Senate that actions to control the deficit should take precedence over tax reform legislation during the Second Session of the Ninety-Ninth Congress.

Mr. SYMMS. Mr. President, I have an amendment I send to the desk on behalf of myself, Senators BOSCHWITZ, HELMS, WEICKER, NICKLES, and MATTINGLY, in the form of a sense-of-the-Senate resolution.

The PRESIDING OFFICER. The clerk will report.

The legislataive clerk read as follows:

The Senator from Idaho [Mr. SYMMS], for himself and others, proposes an amendment numbered 1764:

At the appropriate place, add the following:

As recently as February 4, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year, 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create: Now, therefore,

It is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

Mr. SYMMS. Mr. President, I think the text of the sense of the Senate resolution is self-explanatory. From my experience in this and the other body there simply is not time to address the

major issue of tax reform while we still have the budget question in the air. In my view the Senate should send a message of predictability to the Americans who are risking capital daily and those who are working to make our economy productive. I think this is the best signal we could send them at this point in time—to set aside this issue of tax reform until we have resolved the question of the budget.

Mr. President, I ask unanimous consent that Senator MATTINGLY be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, this sense of the Senate resolution is not unlike a letter that was signed by 50 Senators and sent some time ago to the President saying that we should not consider tax reform prior to moving in a manner that would prevent the sequester under the Gramm-Rudman bill later this year.

This sense-of-the-Senate resolution says that the budget is the first order of business before the Congress of the United States and that the tax bill should be laid aside until the budget deficit and the Gramm-Rudman sequester is resolved. That letter was signed by 50 Senators. However, there were at least two dozen or more who said they would like to vote for a resolution similar to this but that they did not want to sign the letter at that time. We believe this sense-of-the-Senate resolution states the overwhelming desire of the Senate with respect to national priority. There is no question in my mind, Mr. President, that the foremost national priority is the budget and that in the event we go forward with the tax bill we will probably preempt the ability to use additional revenues should they be necessary to balance the budget. I hope that additional revenues are not necessary. I hope that by skillfully cutting or preventing programs from growing too rapidly we will be able to balance the budget in that way and not have to resort to revenues.

Certainly, my friend and colleague from Idaho, Senator SYMMS, feels very strongly that way—that no additional revenues should be sought for the purpose of balancing the budget. But there is no question that the idea of moving forward with the budget is the necessary priority.

In the event we do that, in the event we scale down the deficit each year, in the event it goes from $182 billion, as it is now predicted, to $144 billion, that is a cut of $38 billion. Clearly, if the Government spends that much less money, there will be less economic activity.

It is hoped that by moving toward a balanced budget, you also lower interest rates. That, in turn, stimulates economic activity to replace economic activity that is lost through deficit spending. But we must balance the budget, or there are some other aspects of deficit spending a little more difficult to cope with, and those are inflation and high interest rates.

If at the same time we scale down the spending of the Federal Government we also undertake major tax legislation that changes the taxation and savings; that changes, as the House of Representatives would, the rates of capital gains; that changes the rules applying to depreciation of investment tax credit, all those things can have a very negative impact on the economy as well. To do that simultaneously with slowing the growth in Government spending is indeed risky to the economy.

So I join my friend and colleague. Senator SYMMS and I offer this together with the other Senators whom Senator SYMMS has noted. We hope we get a favorable and overwhelming vote that the budget must go first, that the budget and the balancing of that budget is a matter that has been on our agenda for some time, and that now must be taken care of; because, if not now, it will just go on from year to year and continue to exacerbate the problem.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RIEGLE. Mr. President, I want to comment on this amendment. I am in opposition to it. I want to ask a question about it as we go along.

I am reluctant to see the Senate vote on this particular amendment, for several reasons.

First of all, we have already acted on the budget in the Senate Budget Committee, and that package is waiting to come to the Senate floor. For reasons that are unclear, we cannot seem to get it on the Senate floor to act on it. It could be brought up this afternoon. It should be brought up this afternoon. So the notion that anything else—tax reform or any other issue—is holding up consideration of the budget is nonsense. We have an affirmative package put together, on a bipartisan basis, in the Budget Committee. That should be on the floor and is not. So, to say that anything is blocking it is not the case at all.

Second, the Finance Committee is acting on the President's tax reform proposals this very day. I do not know what they will eventually do in the committee in terms of what they will propose. But when they finally reach a judgment, if they do, and if they report out of the Finance Committee a tax reform proposal, it will come to the Senate floor in due course, and we will have a chance to act on it. If it is not sound, it can be defeated by the Senate, or it can be changed in whatever ways we might think are necessary. That is properly the course of action open to us. But I do not think we should try to judge now what we may be seeing in the way of a tax reform package out of the Finance Committee.

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Mr. RIEGLE. Not at this point. I will yield when I complete my remarks, I say to the Senator from Minnesota.

Third, the President of the United States has indicated that he feels very strongly that the tax reform issue needs to be addressed this year. If that is going to be done in an orderly fashion, we cannot stop work on it now. We have to continue to work on it. The House acted last year, and the President has said that in his view it is very important that these issues be raised. There are some things in his proposal I agree with and some I disagree with, and that is probably true of every Senator. But there are some very constructive elements in the President's proposal.

For one thing, he proposes closing some loopholes in the tax laws which prevent people from contributing what is thought of as a fair share of income to support the overall costs of Government, in behalf of all the people of the country. He has proposals in there for a minimum tax on corporation and individuals who otherwise may end up not paying anything at all. So there are some constructive elements.

I think reducing the number of tax brackets is a direction of simplication that makes some sense. Whether it should go from 14 to 3 or 14 to 4, whatever the number, we can debate that on the floor.

There are a number of things that I think have been properly raised in terms of fairness. I think the President is proper in raising those issues, and we ought properly to deal with them. It does not mean we have to agree with him. It does not mean we cannot change the proposal in whatever ways a majority of the Senate should desire. But, in the end, we are free to act.

The fourth point is that in the budget document reported from the Budget Committee, with a majority of votes on both sides of the aisle, there is a revenue component. The revenue component contains one part that the President has asked for of roughly $5.9 billion new revenues in 1987, in his own budget proposals, and we have augmented that with this bipartisan package out of the Budget Committee.

I believe the added figure is roughly $12.5 billion, bringing it up to about $18.7 billion for 1987. We do not have the power to indicate how those revenues should be raised. The Finance Committee would have to take a look at how that is to be done.

The point is that in the whole tax reform process—in the closing of loopholes and the establishment of a minimum tax—there is the generation of new revenue that will be brought into the Government, and the Budget Committee thought is that part of that, a small part, should be retained and used for deficit reduction.

So these two issues connect to one another. To try to pretend that they do not, to say that we have to do one and cannot do work on the other until we finish the first, does not face the reality that is upon us. We have to be dealing with these problems simultaneously, which is what we are attempting to do.

There is no reason why we cannot bring the budget to the floor this afternoon and get started on it. We have a package. It is all ready to go. The only reason it has not been brought up is that apparently there is some reluctance on the other side to do it because, I guess, of differences of opinion with the White House or among Members on the other side, or whatever it is. I do not want to get into the reasons for blocking it. There is no good reason for not bringing it up.

We are up against the Gramm-Rudman deadline of April 15 to adopt a budget, so we should bring it up now. So I think this sense-of-the Senate resolution is misleading. I do not think this is a helpful step to take. I believe that, in a sense, it is a sort of gratuitous embarrassment to the President and to his people who are working to try to produce a tax reform proposal. In a sense, it becomes an odd instruction to the Finance Committee to stop work, when we are in the midst of trying to deal with the proposals the President has sent up here, which have come from the House, and which Senator PACKWOOD, on behalf of the Finance Committee and on his own behalf, has developed in the Senate.

I think that work has to continue. In a sense to say all that needs to be set down or to be shunted aside until we deal with the budget, when, in fact, we are not even dealing with the budget, I think that adds almost a comic element to it.

Having said all that, I have great regard for the Senator from Minnesota. He and I talked privately about this matter. I recall the weeks that he spent circulating his letter and obviously with very serious intent to want to make an important point, and it is a point that I think can properly be made and someone who has that view should make it. But to take and ask the Senate today to go on record with a yes-or-no vote on this kind of a sense-of-the-Senate document, as I said before, I think ends up unintentionally having sort of a comic element to it but, more than that, I think it almost is an embarrassing step to take.

I think it needlessly embarrasses the President, who said it is a very high national priority, in his view, to move ahead with tax reform. I think it needlessly embarrasses our colleagues on the Finance Committee who are today under that instruction trying to work and come to some kind of a proposal that they can send to the Senate, and also it is almost a bad joke when you think about holding off on any kind of tax considerations until we get the budget done when we have a budget document that has already been produced by the Budget Committee waiting to come to the floor and we cannot again get it called up to act upon it.

We are here fooling around with giving away two national airports because somehow or other that is thought to be more important than dealing with the budget.

For those reasons and with due respect to my colleagues who hold this view, I think this is the wrong action to take at this time. I hope that this could be tabled without prejudice one way or the other but that we not end up embarrassing outselves here in this fashion.

Mr. PACKWOOD and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I tried to move along in a timely fashion with the Finance Committee since we have received the tax bill from the House of Representatives.

We are moving along in a timely manner. We are meeting this morning. We met every morning. We met most afternoons. We will get a tax bill done, which I think will be a credible bill.

There is nothing, however, stopping this Senate from going ahead and producing a budget, at least voting on a budget—I do not know we can produce one—but at least we can vote on it.

There may or may not be tax increases in it. I do not know what the will of Congress will be by the time it goes through the House of Representatives and Senate.

It is my intention at this time to produce a tax reform bill. But as we are all aware, a sense-of-the-Senate resolution is not binding on the President, or not binding on the Senate.

If the President wants to bring a tax bill, he can.

It is a nullity. There are some who do not want a tax bill at all, not a House bill, not the President's bill, not Treasury I, not any bill coming of the Finance Committee.

They are willing to use every dilatory tactic they can find to avoid considering a tax bill, although I regard this resolution as the most insane and arcane approach. It is not binding, and it is saying to the Senate "Take up a major item of the President. It is something of great concern to the country—tax reform—until we do a budget," which we can do today, if we want, which we are supposed to do by next Tuesday, and we will not.

To hold the tax reform bill hostage to some specious sense-of-the-Senate resolution, which is not binding, because the Senate and Congress have not taken up the budget, I think I find demeaning to the committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I believe this resolution is misdirected.

My colleague from Michigan had indicated that there is a comic element in the resolution. The only problem is that the joke will be on the American people and it will not be a very good joke.

If there is an issue in the country that calls for action, it has to do with tax reform, and it just does not make sense to let the American people continue bearing the tax burden while day in and day out special interests in this country pay no taxes and in too many instances even receive a tax refund.

I was upset to learn that the Finance Committee has already concluded that they are not going to make the necessary changes so that the timber industry pays its fair share of the tax burden. Why on Earth should the timber industry be able to treat their profits as capital gains? Everybody else who grows products in this country has to pay their taxes on the same basis as the rest of the Nation. It is a profit. You pay tax on it. That is their business.

But some years ago the timber industry came forward and they were able to get Congress to say that timber was to be treated as a capital gain, meaning they would pay only on half of the profits, and how it appears that that is going to remain in the law if the Finance Committee has its way.

Yesterday, the Finance Committee dealt with the issue of oil company profits. What a sad day it is that only three members of that committee were able to stand up to the oil industry. What is there about the oil industry that makes them so all powerful around here—their political action committees? It was 18 to 3 in the committee not to eliminate some of the special breaks that the oil industry gets.

I know the oil industry is hurting this week or this month. But the oil industry was not paying a fair share of

their taxes when they were not hurting and there is no question in any one's mind that oil prices are going to go back up.

But, no, we are not going to do anything about oil industry tax breaks and we do not even want to touch the issue until we get done with the budget? Why? What logic says that we cannot touch tax reform until such time as we deal with the budget? We are having enough trouble getting the budget to the floor.

I am one of those who has spoken about the need to bring it to the floor promptly. We brought it out of committee. It is not a perfect budget, but it is better than no budget at all and it conforms to the Gramm-Rudman Act. Even though I did not vote for Gramm-Rudman, it is the law.

The banks would not want tax reform. They would like to postpone that as long as they possibly can. If you look at the kinds of taxes that the banks pay, not the taxes they do pay, the kinds of taxes they do not pay, you will understand why they do not want tax reform. It is the only industry in the country that has the right to set up an artificial debt reserve that has no relationship to the facts. It just sits out there and it is an artificial debt reserve, and the banks are permitted to invest in municipal and tax frees, while they go out and borrow money or pay money to their depositors.

So, as a consequence, they pay almost no taxes and in some instances get tax refunds.

There are tax shelters in this country that make it possible if you want to make an investment this year and receive more in tax reduction this year and next year than the total amount that you put into the investment, and in some instances you can work it out so that you get more of a reduction this year than the actual amount that you invest.

So what logical reason is there for 50 Members of the Senate to say, "We don't want to deal with tax reform until we deal with the budgets"? It is a non sequitur. It does not follow. It is illogical. It is ducking the issue.

It is again saying to the American people you are second on the list. We will get on to something that we are more interested in getting on to, although it is only fair to point out that we are not getting on to that issue either.

We may not be able to have a budget resolution here if the matters keep up as they are and the President continues to stonewall.

I heard him last night on the television tube blaming Congress. "Mr. President, I will say to you the buck stops at the White House. You have a responsibility to be a part of this budget process."

And so he is telling us we are not doing our job; we are saying he is not doing his job and now we are having a proposal before us to say, yes, but let us do not get into tax reform until such time as we deal with the budget matter.

The President is saying to us when you have budget reform, whatever you do, see to it that it is tax revenue neutral.

Why should it be revenue neutral? For what reason should it be revenue neutral? Is there some reason that the corporations of this country are not called upon to pay a minimum tax? Some corporations are making billions and billions of dollars and receiving billions of dollars in tax refunds. Is there any reason why we cannot start to tax them and see to it that those dollars are used in order to help us balance the budget?

What is so sacred about those special tax breaks and special refunds that some of the corporations of this country are receiving?

What is holding us up in coming out for a minimum tax both for corporations as well as for individuals who are making substantial profits?

We are ducking the issue. This is a resolution making it possible for us to take a big duck, to not deal with the real issue of tax reform, not see to it that the American people get a fair break.

Tax reform need not and should not be revenue neutral. The moneys that we can pick up fairly, rightly should and could be used to help us balance the budget. And I say to my friend from Minnesota, for whom I have tremendous respect and who I consider a good friend, that you are right about a lot of things but in this instance you are dead wrong. This matter does not make good, logical sense. And I do hope that the chairman of the Finance Committee or someone on that side of the aisle will see fit at an appropriate time to move to lay this ill-founded and ill-thought-out proposal on the table.

Mr. BOSCHWITZ. Mr. President, I have listened to the remarks of my friend from Ohio. I find it unusual that he and the Senator from Michigan are defending the President's priorities in this matter. But, nevertheless, so be it.

It is not a joke on the American people that we are seeking to propagate here. We have no interest in preserving tax breaks for the timber industry, which, as the Senator from Ohio points out, apparently are going to be preserved—I am not a member of that committee so I have not had a vote on that—or oil or banks or the loopholes for special breaks that he speaks about.

There is no more skillful legislator, there is no more skillful negotiator here in the Senate than the Senator from Ohio. And he knows that indeed sometimes one has to be balanced against the other in order to get an important goal achieved. I think that the most important goal that we can achieve—and, as he points out, we can do it rapidly—is indeed the budget. There is indeed an April 15 deadline. We can meet that deadline. Then we should go on and reform the tax bill in many of the ways that the Senator from Ohio is suggesting it be done.

But, those who say, "well, let both go forward at one time," as the Senator from Ohio has said, it is only fair to point out, that the budget is not moving forward. And it is not moving forward and it will not move forward, and it is not a non sequitur to say that there should be some priorities around here and that the priorities can often be established and often be enforced by taking some action that lays something aside. Nobody has done that more often in this body than the Senator from Ohio. Nobody understands legislative tactics, maneuvers, or how to get things done than the Senator from Ohio.

And, indeed, that is our objective, that we can move quickly and that we can move expeditiously and effectively with respect to the budget.

I heard the Senator from Ohio and indeed the Senator from Michigan speak yesterday morning of the necessity of moving and moving rapdily. So I say to him he should support this because if he really does want to move rapidly on the budget, then this sense-of-the-Senate resolution, not binding but a sense-of-the-Senate resolution, should move forward, should move to conclusion. The expression of the Senate should be made clear, otherwise we are going to see that there are revenues used in the tax bill that will be preempted from use in the business of balancing the budget and we will not be able to achieve that end.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 1765

(Purpose: To express the sense of the Congress with respect to the milk production termination program)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 1765 To amendment No. 1764.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the amendment add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and future prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore, it is the sense of the Senate that the Secretary of Agriculture shall immediately take the following steps to address the current instability in the red meat market.

(1) The Department shall increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses it concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaugther within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country. The Department should also include the actual count of all dairy cattle which are marketed as a result of this program in the published weekly slaughter reports.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers must be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SEC. (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

Mr. BAUCUS. Mr. President, this amendment is being offered at this time because it addresses a very imminent problem that our cattle country in America presently faces, and that is the dramatic drop in cattle prices due to the Department of Agriculture's administration of the dairy buyout program.

I do not need to restate the facts as to what happened, except to say that the cattle market is plunging. The equity of cattle producers in our country has fallen at least $5 per 100 in just a matter of a few days because the Department of Agriculture has not followed the provisions in the farm bill with respect to the dairy buyout program. The Department has not followed the orderly market provisions in that bill. As a consequence, because of the Department's buying the cattle early, dairy cows early, putting that red meat on the market, the beef cattle industry is finding that its cattle prices have plummeted.

The buyout program under the farm bill is to be about $1.8 billion. The fact is the equity of cattle producers of the livestock industry has fallen $5 billion, more than the $1.8 billion buyout allocated in this bill.

The point of this resolution is to direct the USDA to follow the law, to have a very orderly market procedure in the buyout program so that more stability and more confidence is restored to the cattle industry.

If I might, Mr. President, let me just briefly outline the provisions of the amendment. Essentially, the amendment will require the Department to increase the present purchase of red meat in DOD distributions during the first bid period, which has been announced by the Department to be from April 1 of this year to August 31 of this year. The purchases should proportionately reflect the presently scheduled approximately 600,000 cows, 200,000 heifers, and 165,000 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200-million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130-million pounds that the Department is presently scheduled to purchase during the first disposal period.

That is a key point, Mr. President. The purchase program, where the Department is purchasing red meat, has to be moved up in the earlier period in order to provide for stability for the market. That is what the law provides.

Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

Moreover, the Department should move approximately 200,000 dairy cows and corresponding heifers and calves to later periods by moving those producers who submitted multiple bids at the same price.

In addition to that, the Department should take additional steps, as necessary, to alleviate the concerns in the red meat industry concerning the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered.

Mr. President, one final point. We also believe that the Department should take further steps that would offset any further damage to the red

meat industry, and the resolution makes appropriate recommendations.

I would like to at this point, Mr. President, add the cosponsors of this amendment. They are Senator EXON, Senator HEFLIN, Senator ANDREWS, Senator ZORINSKY, Senator GORE, Senator MELCHER, Senator BOSCHWITZ, Senator HARKIN, and Senator SYMMS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, the long and the short of this is the Department has not followed the law. The Department has not purchased red meat in earlier periods as it should. That is in the law.

Second, the Department has not, as it said it would, persuaded DOD and required DOD, when it purchases beef, to purchase American beef instead of beef from foreign countries. Presently the Department of Defense, in its commissaries around the world, is buying about 48 million pounds of beef overseas in order to supply American defense personnel. DOD must buy American beef to help solve this problem to alleviate the dairy surplus, as well as to prevent the kind of bottoming out of the cattle market, the beef cattle market. DOD is not doing that.

In addition, the Department of Agriculture should be placing more of its sales overseas not in the American market. The Department has to do a much better job of doing that. The bottom line is that the Department of Agriculture has to take actions that are necessary to restore confidence and restore more security in the beef cattle market.

Most of the damage has already been done. With the passage of this resolution, Mr. President, more confidence will begin to be restored, and the Department would then be treating the cattle industry, the livestock industry, and the dairy industry as well as the pork industry on a more even footing.

I might add, Mr. President, that this resolution has the support of the various groups of the dairymen, of the pork industry, as well as the cattle industry. It has been worked out, and bases have been touched.

I strongly encourage the Senate to support this resolution. I am very happy, too, to have with me helping draft this resolution the able Senator from Nebraska, Senator EXON. We have worked closely on this with other Senators.

Mr. President, at this time I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank the Chair.

I thank my friend and colleague from Montana. The measure before us is extremely self-explanatory. I would simply say in further explanation that we have a sizable number of cosponsors to the amendment. We have discussed this amendment with the majority leader, and it would appear to me that he is also concerned about the situation that this sense-of-the-Senate resolution addresses.

It may well be that we can move forward in a fairly expeditious fashion to accept this amendment, or if necessary, get it voted on because I believe it will carry.

The Senator from Montana has very well pointed out the new crisis situation that we have in agriculture today. Unfortunately, it seems we move from crisis to crisis to crisis to crisis, almost every other day, not even every other week or month as has been customary.

It is very clear that the situation that confronts us today is a dramatic drop in the cattle market. Last week it went down by the highest amount in the history of markets. Certainly, I would agree that some of that may have been over concern on the part of some of the traders, or speculators as they are commonly termed.

I simply say, Mr. President, the way the program was handled by the Department of Agriculture, they did everything but guarantee that we were going to have a dramatic drop in the cattle market. Certainly, the way the account was enacted, and certainly it was clear what the intention of the Congress was, to give the Department of Agriculture the authority to purchase these herds on an orderly fashion. The problem was that the Department of Agriculture did not proceed with rules, regulations, and other means at their disposal to go about this task in an orderly fashion.

We had chaos in the markets. At the present time, I guess it should be well known, a major portion of the cattle industry is in court today suing the director of agriculture trying to get him to undertake the steps that we are spelling out in this sense-of-the-Senate resolution.

All that we are saying with this is let us use commonsense. Let us use the great ingenuity of the American entrepreneur. Let us use the bureaucracy of the Federal Government, in this case the Department of Agriculture, in a fair and prompt manner to correct the injustice that has been done to still another sector of agriculture.

Mr. President, I suspect that we have little opposition to this matter. We have a substantial number of cosponsors. I hope that we can dispose of this in a reasonable fashion. But I do know there are several Senators who are extremely concerned about this matter, and wish to at least make some brief remarks before we go to a vote, voice or otherwise.

Mr. ANDREWS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I am happy to join with my colleague, the distinguished Senator from Nebraska, and a number of other Senators, in supporting the sense-of-the-Senate resolution.

Let me point out that in this dairy cattle buyout there was an awareness when it was first brought before the conference committee—not too many of us on the floor of the Senate at this time were a part of that—it could have an adverse impact on the beef industry. Because of that, an amendment to purchase 400 million pounds of beef and dispose of it through additions to the school lunch programs, overseas sales, and the rest was arranged.

There was a relatively market-neutral impact for the 3 or 4 months after that bill was passed and signed by the President.

Suddenly, when the bids came in to retire some 12,300,000,000 pounds of milk, the markets hit the skids and beef producers who were here, Mr. President, selling their cattle below the cost of production found $4.50 to $5 a pound per hundredweight taken off the price that was already depressed.

I do not know whether it was some emaciation in the Board of Trade, or whether it was some supersensitivity, or whatever. But, Mr. President, the reason I am joining with my colleague from Nebraska today, and the other individuals who are cosponsoring this sense-of-the-Senate resolution, just as nervousness and concern, and perhaps wrongheaded concepts have produced this sudden drop, is perhaps the sense-of-the-Senate resolution pointing out to the trade in general, and to the Nation as a whole that we are determined that this was not the intent of that bill, and we are determined to do what we can to make sure that a relatively stable price is returned to the beef industry which might send a strong message to the trading pits, to the auction sales, and the rest that we have to turn this around.

I have had the assurance, Mr. President, of the Secretary of Agriculture just this week when I returned from 10 days out in my State talking to concerned livestock producers that they would find ways as quickly as possible to make sure this impact was not indeed and in fact the impact we have seen registered, and hopefully that prices will begin to move back. It already has, but hopefully it can be back to where it ought to be, and perhaps even a little bit higher to get closer to the cost of production.

But I am happy to join my colleague, Mr. President, and my other colleagues in what we are doing today to give a strong push to the proper direction in livestock pricing. I want to salute the Senator from Nebraska for

his leadership in bringing this to the floor.

Mr. BOSCHWITZ and Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Thank you very much, Mr. President.

I rise to speak in opposition to the resolution offered by Senators SYMMS, BOSCHWITZ, HELMS, NICKLES, and MATTINGLY.

Mr. President, I know there are many Members of the U.S. Senate that do not support tax reform. I know there are many Members of the U.S. Senate who like the tax system the way it is.

Mr. President, I do not intend to get into a long explanation of the way the tax system is today except to point out that the tax expenditures in 1967 were worth $37 billion. Today they are worth over $400 billion.

We lose as much money through tax expenditures as we collect through the corporate and individual income tax combined.

What tax reform is attempting to do is to reduce the tax rates on middle- and low-income people, indeed for everyone, and to make the tax system fairer so that families that are out there can provide greater security for their families, so that as a result of the lower tax rates they will be able to keep more of the money they earn.

Mr. President, I know that there are Members of this body who do not agree with that direction for tax policy. As I said, I know there are Members of this body who like the present tax system. But the resolution offered by the Senator from Minnesota I do not think would be successful. It is another one of the attempts to delay and ultimately to kill tax reform efforts.

Mr. President, I know that there is a strong argument from my perspective for moving with tax reform first, before we do budget deficit reduction. If the Republican Budget Committee's deficit reduction package is adopted, that means we will have to raise revenues.

Mr. President, if we raise revenues under the current income tax system, who will be paying those taxes? It will be those same middle-income taxpayers who are paying rates that are too high today. It will be those same individual American taxpayers who cannot utilize the loopholes to avoid paying taxes.

So, Mr. President, a strong argument can be made to do tax reform first. Eliminate the loopholes, drop the rates, and then decide, if you have to raise revenue, to do it in a fair manner in which everyone would be affected, not just middle-income people being forced to pay higher taxes to close the budget deficit.

Mr. President, that is not the argument today, though. The argument is not, "Let us do tax reform first and then get to the budget."

In fact, we are doing what we do always, and that is to do several things simultaneously: to do tax reform, and indeed at this very minute the Senate Finance Committee is marking up the tax reform bill, and we are also working on the budget bill. It has been passed out of the Budget Committee.

The Senator's resolution says that it is the sense of the Senate that tax reform should not be considered or even debated by the U.S. Senate until a definite budget agreement has been reached between the President of the United States and the Congress.

Mr. President, I understand what this is. This is a part of the negotiations now going on between the Republican majority in the Senate, that wants a tax increase, and the White House, which does not want a tax increase. That is what this resolution is all about. This resolution is an attempt by the Senators who have offered it to say, "Mr. President, you have to agree to a tax increase."

Let me say to Senators I appreciate their support. It is similar to the one that the distinguished Senator from Minnesota made not so long ago when he got almost 50 Senators in the U.S. Senate to say, "Let us do the budget first and tax reform second."

But, Mr. President, make no mistake. This is a vote in which those who vote for this resolution will be saying, "Look, we would like to kill tax reform. This resolution will not do it because it is a nonbinding resolution. But this resolution is a declaration of intention that we would like to kill tax reform."

So, Mr. President, I strongly oppose the resolution. I recognize it is part of the negotiations with the White House, but I hope the Senate will pause.

When you think of it, Mr. President, there is a Republican President of the United States who is way out on the limb for tax reform, who wants to give middle-income people in this country lower tax rates.

There is a Democratic House that has passed a tax reform bill that cuts rates dramatically. It takes 6 million taxpayers off the rolls at the low-income level, and it does many other important tax reforms.

So we have a Republican President and a Democratic House saying, "We want to cut tax rates for the American people, for the middle income, for the low income, and we are prepared to bite the bullet and eliminate some loopholes in order to do that."

It is surprising to me that a Republican Senate will be saying to its own President, "Mr. President, we want to kill tax reform. We do not want to do it. Let us delay it. Let us delay it, knowing the further it is delayed, the less likely it will be to be accomplished this year. We want to delay it."

The Republican Senate is saying that.

Mr. President, it is surprising to me that that would be the case. It is surprising to me that with this vote many Members will be essentially saying to the President, "Forget tax reform. We are going to try every effort to try to kill it."

My only hope and my only consolation is that this resolution is totally nonbinding.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, it is surprising for me to hear my friend from New Jersey say that Senator SYMMS, who offered this resolution, is indeed for higher taxes, that he is indeed wanting to increase taxes. Certainly, there is no Senator who has spoken out more often exactly in opposition to that view.

This is not an effort to scuttle tax reform.

I do support the idea of lower tax rates. I always have. I have spoken on the floor about it. I have written about it. I think it has many, many beneficial aspects for economy.

We do not like the present tax system.

Perhaps the Senator from New Jersey was not here when I responded to the Senator from Ohio that it is not that at all. It is not a matter of seeking to prevent tax expenditures, it is not for disallowing continuance. That is not the purpose. I might say to my friend that if indeed tax expenditures were $37 billion in 1967, and now it is $400 billion, 10 times as large, that the budget is now about 10 times higher now than in 1967, as I recall the first time we reached $100 billion being shortly before that.

So this is not an effort to kill tax reform. This is an effort to put our priorities in order. This is an effort to meet the April 15 deadline, the first deadline of the Gramm-Rudman bill; that we push the budget resolution and push all those involved to do so.

Let me say a word about the amendment of the Senator from Montana to the amendment that Senator SYMMS and I have offered.

I support it. I have asked the Senator if I may be added as a cosponsor to the amendment.

It came, I might say, as a surprise to me that the Agriculture Department would act in such manner as to bring about lower feed prices, lower meat prices. It was not the intention of the Senate to pass legislation to help one element of agriculture at the expense of another. As a matter of fact, we just passed the dairy portion of the farm bill to prevent this kind of an occur-

rence. Now it is with great disappointment that we see the action of the Department of Agriculture take place that would effectively negate some of our best efforts.

I say to my friend from New Jersey that indeed I have a plan for tax reform that brings about lower rates, that reduces some of the tax expenditures or tax preferences, as they are often called. I do not want to delay until tax reform. I want to speed up the business of balancing the budget, which I think is the first order of business for this body.

Mr. SYMMS. Mr. President, I want to join with some of the things that my colleague from Minnesota just said and then make a comment or two about some of the things my friend from New Jersey said.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senator BAUCUS' amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. I ask unanimous consent that my name be added also, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I want to correct the misunderstanding—in my view—that the Senator from New Jersey has about the intentions of this Senator with respect to this amendment which Senator BOSCHWITZ and I have tendered here for our colleagues' consideration.

First, as one Member of the Republican part of the Senate, I am not in favor of any tax increases. That is not the intent of this amendment.

Second, true tax reform I would favor. However, I would say that when the President gave his first address on tax reform, he did capture the imagination of the American people with respect to fairness, reducing the rates, equity, and simplicity in the Tax Code. However, the tax reform process, as it has worked inside the beltway in Washington, has been preempted by the bureaucrats in the bowels of the Treasury, I would say, Mr. President. What we are dealing with in the Senate Finance Committee, what passed the House, could hardly be called tax reform. And certainly, it is no progrowth, procompetition, profree enterprise, procapitalist type reform that is going to create jobs, enhance the standard of living and make for a more productive society. My idea of tax reform is to have all income taxed closest to the source, give 100 percent expensing for capital investment and do away with all deductions in the Tax Code and get the rates down to 20 percent.

We have gotten so far away from that, I say to any of my colleagues who are in the Chamber or listening on the speaker boxes, I invite them to come and examine the material we are discussing in the Finance Committee. It is going to make our Tax Code, if this kind of bill passes or the one that passed in the House, much more complicated. It would be pure fraudulence to call it simplicity, Mr. President. Congress does not have to go by truth-in-labeling laws that we pass for the rest of the country. Anytime you get a bill on taxes you can call it tax reform, you can call it simplicity or anything you want.

The fact is it is a transfer within the internal house of the Tax Code to transfer taxes from one group of taxpayers to another group of taxpayers and cause all kinds of unmitigated chaos in the private sector that is going on right today because of business decisions that are not being made, decisions to invest in work and so forth that are not being made.

I think we should get our priorities in order here, in the Nation's Capital, and straighten out the Federal budget as every household in America has to do, as every business has to do. Leave things alone, get some predictability, then straighten out the Tax Code in an area where we do not have a big deficit staring us in the face.

If tax reform moves under the budget deficit we are facing, that is what I am against.

I compliment my colleague from Montana for his amendment. I share what he said. This situation has caused absolutely unnecessary pain and suffering to the cattle industry in this country. There has never been anything in farm programs for the cowboys of America. They are the one group that never asked for any Government help or any Government support and they always end up on the short end of the stick. The people who get the subsidies either get higher prices of grain forced on the cattlemen, or the dairy people get higher dairy prices, then they get their cattle pushed off on America.

I think the Senator from Montana is right on target. We in Congress have to do everything to expedite turning around the bad economy in the cattle market today because much of this is a perception that there is a big oversupply. It is probably not as bad as it appears, but if you are the person out there selling the cattle, it is an unmitigated disaster. I hope both of these amendments will be accepted readily by our colleagues.

I yield the floor.

Mr. BRADLEY. Mr. President, I should like to respond briefly to the distinguished Senator from Idaho and the Senator from Minnesota.

The distinguished Senator from Idaho said that he wanted to set the record straight that he is not for a tax increase; he is an opponent of a tax increase. I take that.

The Senator is also a self-avowed opponent of tax reform, tax reform in particular as we have defined it through the deliberations in the House and now in the Senate Finance Committee. He has confirmed that by his comments on the floor today.

Senator BOSCHWITZ has, indeed, written a letter saying, let us do the budget first, then get to tax reform. We all know that, as we delay longer in the year, it becomes less and less probable that we shall be able to give middle-income people lower tax rates because by the time the tax reform bill comes to the floor of the Senate, it can be delayed almost indefinitely.

So I think it would be wrong to ignore the fact that this vote is a declaration of intention by those who vote for the Boschwitz-Symms resolution. They are saying, "We will try at every opportunity to kill tax reform." This is one of the small tactics in a much larger battle.

Mr. SYMMS. Would the Senator yield on that?

Mr. BRADLEY. I yield the floor, Mr. President. I have made my statement.

Mr. SYMMS. I thank the Senator.

Mr. President, let me just respond to my colleague from New Jersey by saying that any time the Members of the Senate are ready to move forward with tax reform that would get the tax rates below 20 percent or at least to 20 percent—in that range—for working middle-income people and give up all the tax preferences in the Code, this Senator has already cosponsored the legislation with the distinguished Senator from Arizona [Mr. DECONCINI] that would do that.

We have tax reform, the true, simple, flat tax, pending before the Senate. However, when we start talking of tax reform, it always gets clouded and we end up just wanting to shift the burden of taxation from one group of taxpayers to another and call it revenue-neutral.

I say if you are the taxpayer who gets his or her taxes raised, it is not very revenue-neutral. That is the problem we have with this process where we are trying very valiantly to get the budget balanced.

I compliment my colleagues on both sides of the aisle who have worked so hard to bring about a budget process that will bring about a balanced budget. We should accomplish that first. Once we have accomplished that, then we shall be in an arena where tax reform could take place. But to have true tax reform, we must have spending control and reform, I think, first in order to be able to go into a tax reform proposition without killing the patient in order to fix the hospital room, so to speak.

I think that is the problem this Senator sees with the whole process and I

hope we can move to a vote right away.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senator from South Dakota [Mr. PRESSLER] be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr President, I also ask unanimous consent that the bill be left at the desk so further Senators may be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I also ask unanimous consent that the amendment be modified according to the modification at the desk.

The PRESIDING OFFICER. The Senator will send the modification to the desk.

The amendment (No. 1765) was so modified.

The amendment, as modified, is as follows:

At the end of the amendment, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore,

It is the sense of the Senate that the Secretary of Agriculture should immediately take the following steps to address the current instability in the red meat market:

(1) The Department should increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses it concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers should be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SEC.— (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

Mr. BAUCUS. Mr. President, I ask for the yeas and nays on the Baucus resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAUCUS. Mr. President, just one final point. The Senator from Idaho made a good point. If there is any industry in America that has nobly not asked for a handout, it is the beef cattle industry. Lots of organizations, lots of industries come to the U.S. Congress and ask for some privilege, some favor, some accommodation, some qualification—whether it is in the tax law or other laws—to help themselves out. The beef cattle industry is the one industry that does not ask for a handout. They are to be very, very much congratulated for that. In fact, they are a model. It is too bad that more Americans do not follow the model of the beef cattle industry and not ask so much for Government help.

The beef cattle industry, ironically, Mr. President, is the one industry that listened to Jack Kennedy's admonition to ask not what your country can do for you, but ask what you can do for your country.

It is the one industry that generally does not ask the Government to do something for it. They take care of themselves. They do not bother people. They do not want to be bothered by people. It is a very noble way of life. It is a very noble way to conduct one's self.

Mr. President, one final point. It is clear, no one denies that the USDA did not follow the law with respect to the dairy buy-out program. They did not follow the orderly marketing procedures as prescribed in the farm bill. For whatever reason I do not know, but the fact is they did not do that. This resolution directs them to do that. It outlines various procedures that were in the farm bill to force the USDA to have a more orderly marketing procedure so we can restore more confidence in the beef cattle industry. I ask Senators to roundly and soundly support the resolution so that USDA is forced to straighten itself out.

Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I rise in support of the amendment to the underlying amendment offered by the Senator from Montana (Mr. BAUCUS). I compliment the distinguished Senator from Montana and also the distinguished Senator from Nebraska for their work on this and for bringing this to the attention of the Senate at this time.

Mr. President, I thought I had seen, up until this time, the grossest mismanagement of agriculture in the history of our country under the previous Secretary of Agriculture. Well, he is

now gone and we have a new Secretary of Agriculture, and evidently there must be a contest going on downtown, down at the Department of Agriculture, to see which Secretary of Agriculture can mess up the farm program the worst. If the present Secretary, Secretary Lyng, for whom I have a great deal of personal respect—I have known him for a long period of time—continues in the same vein with the buyout of the dairy herds, he is going to put the previous Secretary to shame in terms of mismanagement.

To date the implementation by the Department of Agriculture of this whole herd buyout program has been a textbook example of how not to manage or how not to implement a program and how not to follow the law, how not to take into account what the clear intent of the Congress was in passing the law.

Mr. President, I want to make it clear at the outset that this Senator was not a supporter of the whole herd buyout program. That scheme originated in the other body. But it was left in conference and eventually was signed into law by the President. I still think it is a cockamamy scheme and not one that is going to be conducive either to keeping our dairy farmers in business in the upper Midwest or is it going to be conducive to keeping our beef producers in business.

Now, it is odd, Mr. President, that we had a working dairy program which was started in 1983 called the Dairy Diversion Program, on which the distinguished Senator from Minnesota [Mr. BOSCHWITZ] and I worked when I was a Member of the other body. It was a 15-month program. At the end of the 15-month period of time it was obvious that the Dairy Diversion Program was working. We cut down the amount of milk being purchased by the Government. We saved the taxpayers $1 billion. We were reducing over a longer period of time the number of dairy cows that were producing milk. Everything was working. It did not cause a tremendous disruption in the red meat market. It kept our dairy farmers in business in the upper Midwest. So here was a program that by every yardstick of measurement was working and succeeding, the Dairy Diversion Program. And yet when the 15-month period was up, rather than getting it renewed for another 15-month period of time—I think had we had the Dairy Diversion Program for about 30 months we would have been out of this problem regarding dairy surpluses—the administration let it die on the vine and so we do not have the Dairy Diversion Program. Now what we have is the so-called whole herd buyout, which is causing massive disruption in the red meat market.

Mr. President, the administration took a program that was working and rather than extending it, let it die and now we have this whole herd buyout scheme.

The Congress did put into the bill some measures to protect our cattle producers from being inundated by all these cows coming on the market. There were definite guidelines put into the bill for the Secretary to follow to minimize the impact on our cattlemen, our cow-calf producers, and also our cattle feeders. But this Secretary and this Department have not followed the guidelines of the law.

Mr. President, on March 28 the USDA announced that three-fourths of the 1.6 million head of dairy cattle targeted for slaughter could be slaughtered in 1986, completely ignoring the farm bill intent to have an orderly marketing plan so as to minimize the market impact.

Now, the farm bill mandated that the Secretary of Agriculture limit the number of dairy cattle coming to market to no more than 7 percent of the national dairy herd. Well, the Secretary followed the requirement but then he rigged the game in such a way as to allow most of them to come to the market before the end of the year, and the reaction has been what we have heard from the Senator from Montana and the Senator from Nebraska and I think other Senators who have spoken. The reaction of the cattle market was immediate and dramatic with cattle dropping on the cash and futures market anywhere from $2 to $6 per hundredweight.

So again let me repeat what happened. The bill mandates that no more than 7 percent can come on the market during this period of time. Well, what the Secretary did was he frontloaded it. He put the 7 percent up to now, during this first buyout period, when it should have been spread out over a longer period of time.

Now, I wonder why the Secretary would permit this kind of thing to happen. Well, it is clear to this Senator that the budget considerations outweighed the congressional mandate to have an orderly marketing program. Someone at USDA or at OMB realized that by frontloading the slaughter of these dairy cows, that is, the sooner these cows were sent to market, the quicker milk production would drop, it would save the Government a few bucks. No one at USDA or at OMB seemed to care that this kind of action would cause market chaos and result in the bankruptcy of thousands of cattle feeders. And so what we have to do is get the Secretary to develop a fair marketing plan which will bring these cows to market in an orderly fashion. That, I understand, is what the amendment offered by the distinguished Senator from Montana, as modified by the Senator from Nebraska, does. What it does is it expedites the purchase of 400 million pounds of red meat that are mandated under the program.

Again, Mr. President, I point out that the Secretary is, as he says, moving ahead to purchase this 400 million pounds of red meat but the fact remains the farm bill was signed in December. They could have anticipated the slaughter of these dairy cows and they could have gone into the market at that time, January, February, and March, and begun buying up the red meat that they needed for this 400 million pounds, but they did not do it. But now he says they are going to do it. Well, I am glad they are going to do it because the law specifies they have to do it. But they could have started doing it in January. That is what I mean by mismanagement. They could have started buying this meat in January, February, and March, and we would not have this problem now, but they did not. Again, I have to ask why.

Two hundred million pounds of this red meat was to be used for export. I would anticipate that USDA would probably say that if they bought all this meat and put it on the world market, it would disrupt the world market, countries like New Zealand and Australia. It seems to me that USDA has shown more concern for producers in other countries than for our own. I hope they would move ahead expeditiously to purchase this 400 million pounds of red meat. They could have done that in January, February, and March, and did not do it.

The second thing the resolution says is that the Secretary can move these animals scheduled for the first 6-month period to later periods by voluntarily moving those producers who submitted the same bid for all three bidding periods. In other words, if you had a person who bid in his dairy herd at the same price for all three periods, rather than taking that herd now, they could take it in the second or third 6 months. That would lessen the impact on the red meat market right now. They could develop a plan to proportionately space the slaughter of cattle within each 6-month period, rather than all in the first or second month.

Mr. President, there is no doubt that this is having an effect on the red-meat market. Let me read a UPI wire story that has just come across the wires, at 12:53 today, April 10.

It says:

Beef producers told Agriculture Secretary Richard Lyng Thursday that his steps to counteract a plunge in cattle prices accompanying mass slaughter of surplus dairy cows fall far short of what is needed.

"It's about 25 percent of what we were requesting in the orderly marketing," Don Butler, president of the National Cattlemens Association, told Lyng, who met with a large group of cattle producers.

Mr. President, listen to what Secretary Lyng said:

Lyng replied that he was pleased to hear his limited actions has satisfied 25 percent of beef producers concerns.

Satisfied that he took care of 25 percent of their concerns.

"It's not intended to be the total answer to what you requested," Lyng said. "Weve got a lot of things were working on."

Again, that is really thumbing your nose at a very big problem confronting our cattle producers, who, as others have said, have never been in the forefront of those asking for Federal assistance. Yet, all they are asking is for the Secretary to abide by the law—both the letter of the law and the spirit of the law. I suppose that the Secretary, with his attorneys down there, could say they are abiding by the letter of the law, but certainly not by the spirit.

I will quote from the Food Security Act of 1985, the pertinent paragraph, which says:

In setting the terms and conditions of any milk diversion or milk production termination under this paragraph and of each contract made under this subsection—

That is for the whole herd buyout—

the Secretary shall—

It does not say "should"—

take into account any adverse effect of such program or contracts on beef, pork, and poultry producers in the United States, and shall take all feasible steps to minimize such effect.

The law is clear. It says that he shall take into account adverse effects on the red meat market. It says he shall take all feasible steps to minimize such effect. It does not say he shall take 25 percent of the steps or 50 percent. It says he shall take all feasible steps to minimize such effect on the cattle markets.

So I submit that not only is the Secretary not following the spirit of the law, he also is not following the letter of the law in this case.

Mr. President, I know that many Senators who may be listening on their squawk boxes may say, "What is this all about?" What it is really about more than anything else is the mismanagement by the Department of Agriculture which is unnecessarily costing cattle producers millions of dollars in lost profits. It is a mismanagement that is causing thousands of cattlemen to literally go out of business. It is happening in my State of Iowa, and I am sure it is happening in other States, too.

Cattlemen have not been making a lot of money. They have been on the brink. They are ready to go to market with their cattle and are suddenly having the market pulled out from beneath them.

I do not want to suggest that there is any malevolent mind-set on the part of the Secretary. But I do believe there is an attitude at the Department of Agriculture that says the fewer farmers we have, the better off we are going to be. I think that was evident in the farm bill we passed. I think it is evident in the dairy program that was signed into law, and I think it is evident here.

I really believe that there are those at the Department of Agriculture and OMB who believe that by taking these actions, you are going to drive some cattlemen out of business, and the fewer of them, the better off we will be.

So it is mismanagement, but I do not think it is mismanagement with a blind eye. I think it is mismanagement knowing full well what the end result of this mismanagement is going to be. What it is going to be is a lot of hardship on our cattle producers and a lot of cattle producers probably being forced out of business and fewer cattleman in business in this country.

So I hope we will have a resounding vote in favor of the amendment by the distinguished Senator from Montana to the underlying amendment on this airport bill.

This is probably not a wise place to bring it up, on an airport bill. The fact is that there is more need right now to address this problem than the airport problem—right now. We have to address this problem that is confronting our cattle people. So, lacking any other vehicle, we had to go this route, which the distinguished Senator from Montana has done.

I hope the Secretary of Agriculture would reexamine what he is doing in this program, would follow the letter of the law, and would not be content to say that he is satisfied that his limited actions will take care of 25 percent of the concerns. I hope the Secretary would not be satisfied until he implemented the program in such a way as to minimize the effect on the cattle market in this country, according to the letter of the law.

I yield the floor.

Mr. GORE. Mr. President, as a cosponsor of the pending amendment, I rise to urge my colleagues on both sides of the aisle to support it in overwhelming numbers.

I communicated with the Secretary of Agriculture at the beginning of this week. I joined with others on joint letters that went to the Secretary of Agriculture on Wednesday. I cosponsored legislative remedies proposed by some of my colleagues, and I have cosponsored this amendment.

During the last several days at open meetings in the State of Tennessee I heard from a great many cattle farmers who are justifiably outraged over the lack of action on the part of the Secretary of Agriculture.

The past week saw the largest drop in red meat prices of any week in modern history. Why? Simply because the number of cattle to be slaughtered as a result of the dairy program was in the news and the actions that were supposed to be taken by the Secretary of Agriculture to mitigate the impact of that slaughter on red meat prices were not in the news, because the Secretary of Agriculture has apparently failed to formulate the plan that he was required by law to put into effect when the whole dairy herd buyout program was implemented.

This problem was clearly anticipated by Congress when the whole herd buyout program was put into law. It was for that reason that the Secretary of Agriculture was instructed, not allowed, but instructed, in the law to implement these mitigating purchases.

The Secretary of Agriculture has failed to do so and as a result cattle farmers are being hurt very badly. It is interesting to note that dairy farmers are also being hurt badly because the prices they expected to receive when they made the decision to participate in the whole herd buyout program they are not in fact receiving.

The decisions which they made at that time were made in good faith, based upon an understanding of the law that passed this Senate and passed in the other body and was signed by the President. But due to a failure on the part of the Secretary of Agriculture the prices have fallen dramatically.

Mr. President, my colleagues have elaborated on the reasons why this amendment should pass. I wish to congratulate its principal sponsor, the Senator from Montana.

I urge my colleagues to support it overwhelmingly because it is a sad fact that the Department of Agriculture has failed in its duty to implement the law. As a result, we have no recourse but to take this action and if this action proves to be insufficient when we will have to take other action immediately afterwards.

I hope that this amendment passes. I support it strongly and I urge my colleagues to do so once more.

I yield the floor.

Mr. McCLURE. Mr. President, I ask unanimous consent that I may be listed as an original cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I wish to join others of my colleagues to express my fullest and strongest concern over the effect that USDA's Dairy Termination Program announcement has had on cash beef cattle prices. This ill-advised termination program has been divided into three disposal periods—and yet nearly two-thirds of the total number of cattle to be slaughtered under the program will be disposed of prior to August 31, 1986. It is absurd. That hardly seems to me to fulfill the "orderly marketing" re-

quirement in the 1985 Food Security Act.

In visiting with some of my fine Wyoming constituents over the past few days, I am simply appalled by the havoc this program announcement is having on Western cattle ranchers. Introducing 1,015,046 head of dairy cattle into an already weak market has cut the value of the beef cattle inventory in the Nation by $5 billion. Beef cattle inventories are at their lowest level since 1962. You see, these cattle ranchers—so very different from many in agriculture—do not have their hands out pawing at the Federal till seeking agriculture price supports. Instead, the beef cattle industry exercises market discipline. After years of drought and low prices, however, this release of more than 1½ million additional cattle on the market could very well be the final death knell for many of those fine, independent Western ranchers—and ironically at the hands of a heavily subsidized industry no less.

The dairy program may have worked fairly well since the CCC Purchase Program came into being in 1949. Consumers have received a steady supply of fresh milk and dairy products at stable prices. Dairy farmers have obtained a fair price for their product. Taxpayers have paid relatively little in program costs.

However, in recent years, the program has not worked well. It is sick. Dairy farmers, consumers, and taxpayers have all suffered. Congress has tried to fix the program on eight different occasions in the past 5 years, and the program is still all out of whack. Some of our cures have been worse than the disease. For example, from January 1984 through March 1985 we tried a diversion program that paid farmers not to produce milk. This program was destined to fail because it addressed the symptom—overproduction—not the root problem—price supports set too high. This nonsolution taxed all dairymen 50 cents per 100 pounds of production in order to pay a small percentage of dairy farmers not to produce as much. It failed to make any permanent reduction in production levels; it caused regional milk shortages and it gave dairy farmers and the whole dairy program a "bad name" and an awful lot of bad publicity. And now we've ignored recent history and implemented another nonsolution, but this time we're hurting more than just the dairy industry. We're hurting this Nation's No. 1, nonsubsidized agricultural commodity—beef.

We should also keep in mind that the dairy sector is healthier than most other major sectors of agriculture. The severe economic distress in the farm economy is largely concentrated in the grains, cotton, and livestock sectors. The plain and simple fact is that most dairy farmers are doing much better than other farmers.

Congress has a sad, sad history of providing agriculture with short-term benefits that turn into long-term liabilities. For example, in 1977 we increased the minimum dairy support level from 75 to 80 percent of parity and provided for semiannual adjustments. Up until then, milk production had been in relative balance with demand, and program costs were running only a few hundred million a year. Increasing the support level seemed to many to be a reasonable way of boosting income for the small- and medium-scale dairy farmers who we felt we were trying to help.

However, the generous support levels, which increased 46 percent from 1977 to 1981, combined with lucrative tax benefits, attracted a lot of new investment into the business. Much of this new investment came from those outside of agriculture. Huge, state-of-the-art dairy operations came into existence, providing unwanted competition for traditional dairymen. Much of our surplus problem today can be traced right to the legislated increases in the price support formula in the late 1970's.

Having just completed a congressional debate on the "nonprogram crops" provision of the Food Security Act, I am ever more increasingly concerned that Federal agriculture policies which create negative effects on free market. Commodities may force our nonsubsidized agriculture friends—and that is two-thirds of American agriculture—to say, "We, too, want some of that action—we've been quiet long enough." And that surely would "bust" the Federal Treasury, for you see, my friends, 90 percent of the $20 billion we'll spend on agriculture this year only reaches some 31 percent of the total agriculture production in this Nation. Goofy isn't it?

The most effective thing this Congress and the administration can do to help hard-pressed farmers and ranchers is to get Federal spending under control. The deficit is the immediate cause of high interest rates and the strong dollar, and those two factors—high interest rates and the overvalued dollar—have done more to depress the farm economy than anything else possible. This is because agriculture's unique production and marketing cycle makes it more dependent on credit than any other sector of the economy. Moreover, agriculture is an export-dependent industry, and the strong dollar has depressed export sales.

Farmers and ranchers have as big a stake in fiscal sanity and responsibility as any other group in our society. They want to get interest rates down and the dollar down. Farmers and ranchers really don't want runaway deficits or a budget-busting farm bill. They only want a bill that will help to restore profitability to farms and ranches by expanding markets, phasing down huge Government surpluses, and bringing supply into balance with demand. Maybe we'll get there yet.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Montana as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 86, nays 12, as follows:

[Rollcall Vote No. 59 Leg.]

YEAS—86

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Gore	Metzenbaum
Baucus	Gorton	Mitchell
Bentsen	Gramm	Murkowski
Biden	Grassley	Nickles
Bingaman	Harkin	Nunn
Boren	Hart	Packwood
Boschwitz	Hatch	Pressler
Bumpers	Hatfield	Pryor
Burdick	Hecht	Quayle
Byrd	Heflin	Riegle
Chafee	Heinz	Rockefeller
Chiles	Helms	Roth
Cochran	Hollings	Sarbanes
Cohen	Inouye	Sasser
Cranston	Johnston	Simon
Danforth	Kassebaum	Simpson
DeConcini	Kasten	Specter
Denton	Kennedy	Stennis
Dixon	Kerry	Stevens
Dole	Laxalt	Symms
Domenici	Leahy	Thurmond
Durenberger	Levin	Trible
Eagleton	Long	Wallop
East	Lugar	Warner
Evans	Mathias	Wilson
Exon	Mattingly	Zorinsky
Ford	McClure	

NAYS—12

Bradley	Humphrey	Pell
D'Amato	Lautenberg	Proxmire
Dodd	Matsunaga	Rudman
Goldwater	Moynihan	Weicker

NOT VOTING—2

Hawkins	Stafford

So the amendment (No. 1765), as modified, was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. All conversations will please go to the Cloakroom. The Senate will be in order. Will all conversations please move into the Cloakroom, by staff and others?

The Democratic leader.

Mr. BYRD. Mr. President, I thank the Chair.

I ask the distinguished majority leader about the program for the rest of the day, what we might anticipate by way of rollcalls for the remainder of the day, how late the Senate may be in session today, and then looking forward to tomorrow. What does the distinguished majority leader see by way of rollcall votes and other business as far into and through Friday as he can see at this point?

Mr. DOLE. Mr. President, it is the intention of the leadership to complete action on this bill this evening or late this evening depending on how long it may take. I am not certain how many amendments are remaining. I know both Senators from Maryland have additional amendments. I am not certain about the Senator from South Carolina. I know there will be another amendment to the pending amendment which is not related at all to the subject matter. But that will take some time.

So I guess we will try to complete action on this bill this evening. If we do that, then it would be my hope we could move to the hydro relicensing bill, and also there is a crime bill that I understand is not controversial. But there has been a rollcall vote requested.

I would propose we start early tomorrow morning on those two matters and try to complete action on both matters by early afternoon.

Mr. BYRD. Mr. President, this is Thursday. How late does the distinguished leader plan to keep the Senate in this evening?

Mr. DOLE. I would be happy to complete action by 6 o'clock or so. But I must say that this is sort of the late night, Thursday night. So it could be that we would be in for some time. I am not certain how many amendments are out there. I am willing to reach an agreement with anyone on a time certain to vote on the pending matter. But so far we have not been able to do that.

Mr. BYRD. May we anticipate hearing from the distinguished majority leader by 5 o'clock or 5:30 as to what he then sees as the prospect for getting out today?

Mr. DOLE. It is pretty hard to do otherwise if Members who have amendments do not indicate to the leadership what they intend to do. I am not able to advise the distinguished minority leader. But if I can get some idea of how many amendments there are and how long it will take, I certainly want to cooperate with all Members. I know there is some kind of a function tonight that many of our colleagues on both sides had hoped to attend. I think it is a radio-TV dinner of some kind.

Mr. BYRD. I did not know that. Mr. President, would the distinguished majority leader now, if he is in a position to do so, indicate when the Senate will begin work on the budget resolution? It was reported, I believe, 2 weeks ago from the committee.

Mr. DOLE. I think it has actually been available for consideration for probably 3 or 4 days. I am not yet ready to make that judgment. We had two meetings yesterday. We will likely have more. It may be that the judgment will be made to go ahead and call it up and continue to negotiate while doing that. I must say, as far as I know there will be an amendment to be offered by my friend from Ohio [Mr. METZENBAUM] to build a little fire under the leader, but that is OK. He will bring it up in due time.

Mr. BYRD. Mr. President, I am very desirous that, with the 50-hour time limit on the budget, the Senate begin action on it as soon as possible. We are already going to pass the April 15 deadline, which, under the Gramm-Rudman legislation, would require that the Senate has acted, the House has acted and the conference has acted. We are going to miss that deadline, but the deadline down the road on October 1 is the one I am really concerned about. I suppose we will be up against that one by August or September, and the longer we wait now the longer we will be in finalizing action on the budget.

In the event the distinguished Senator would decide to bring this budget up by Monday, that would give ample time to debate the budget and open it up to the sunlight of public scrutiny. If there are areas in it that need fixing, I would like to help fix them.

I know the position the distinguished majority leader is in; having to walk a very tight rope, he probably is not getting much help from the White House, although I have no factual information on which to base that. I would hope that we would not continue to wait to see whether or not the White House is going to play a role or what the White House wants to do about it. I would like for the Senate to get started on it.

I am sure I speak for Senators on this side of the aisle.

If there are White House negotiations, of course, they can continue. I would implore the majority leader to go to the budget resolution by Monday, or the first part of next week, if not tomorrow.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

I sent a letter to the Speaker today suggesting that we might do this in tandem. Nobody ever talks about the House budget, which has not even been reported out of committee. It is still languishing in the committee on the House side. So I suggested in a letter I sent with the Republican leader of the House, Congressman MICHEL, to Speaker O'NEILL that we ought to move ahead, that we ought to bring the budget resolutions up on a schedule where we are both considering the budget, the House and the Senate at the same time, so there is no sort of gamesmanship. I have a sort of inner feeling that the House is waiting for us to go first and they have an inner feeling that they want us to go first. I would like to go together. If I walk off this plank, I would like to have some company.

Mr. BYRD. The distinguished majority leader might have someone to walk with him. If the House is going to wait, that is all the more reason for the Senate to act early.

I thank the distinguished majority leader for his patience.

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the RECORD this letter delivered to the Speaker this morning, where we indicated we are ready to move ahead. In fact, we share the view of the minority leader, that the sooner we get on to the budget, the better. I guess it is a question of which budget we get on to.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE
Washington, DC, April 10, 1986.

Hon. THOMAS P. O'NEILL,
Speaker of the House,
Washington, DC.

DEAR MR. SPEAKER: The deadline for final action on a Congressional Budget Resolution for Fiscal Year 1987 is fast approaching. It is obvious that the Congress will not comply with the Balanced Budget and Emergency Deficit Control Act of 1985, less than a year after its enactment.

While the President, the CBO, OMB, and GAO have all met their obligations under the Act, the Congress has been woefully negligent in our compliance, having only conformed by submitting views and estimates and reporting a budget resolution out of Committee in the Senate.

We now seem to be locked in a political standoff, one body waiting for the other to act, one majority party waiting for the other to blink.

We must not allow the budget and appropriation process to collapse because of a preoccupation by one House with achieving a political advantage over the other. We must move the process forward. We must act sooner rather than later.

We propose the adoption of a mutually agreeable timetable providing for the concurrent consideration of budget resolutions in the House and Senate. We further propose that a timetable be established for complete consideration of a budget through the conference process.

We are ready to meet and discuss such a process at your earliest convenience and given the binding legal deadlines we face, we hope that discussions can begin immediate-

ly. Your immediate response would be greatly appreciated.

Sincerely,

ROBERT H. MICHEL,
Republican Leader, U.S. House of Representatives.
ROBERT DOLE,
Majority Leader, U.S. Senate.

SEVERAL SENATORS. Vote, vote!

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the resolution that we have before us, the sense of the Senate resolution, provides that it is the sense of the Senate that tax reform should not be considered or debated by the U.S. Senate until a firm budget agreement has been reached between the President and the Congress of the United States.

It is pretty obvious that we are having difficulty in moving forward with the budget which was reported out of committee on March 24, 1986. Under the law, we have a deadline of April 15, 1986.

It is my feeling that an overwhelming majority of the Members of this body would very much like to act on the budget. We may have our differing points of view. It came out of the committee with a majority on both sides voting for it. It is not a perfect budget. There are some portions of it that I do not like.

But that is an issue we can take up on the floor of the Senate and the matter would certainly be open for debate.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator is correct. The Senate will be in order. Please take conversations to the Cloakrooms.

The Senator from Ohio.

Mr. METZENBAUM. I think that all of us in this body would like to move and to act. The distinguished majority leader, for whom I have the greatest respect, says that I am trying to build a fire under him in order to move it forward.

That is one way of putting it. Another way is that I am just trying to let him know that many of us in this body would like to act on the budget.

As a matter of fact, I think all of us understand his problem. That is that the man at the White House is indicating his differences with respect to the budget resolution that came out of the committee.

But notwithstanding the position of the President of the United States, that still does not provide any reason why we should not get on about our business. Under the law, we have 50 hours to debate it. We have the same amount of time in which we can offer amendments. Hopefully, the President and Congress can come to some understanding or agreement. Even more hopefully, the House and the Senate can come to some understanding with respect to the budget compromise or budget resolution.

I just feel very strongly that for us to be standing out here talking about an airports bill and then getting into a bill having to do with the number of dairy cows that are slaughtered, and then having hung on to it a sense-of-the-Senate resolution indicating that we should take up the budget resolution before we get to tax reform—I think all of that only makes a more convincing case that it is appropriate that we move forward with a sense-of-the-Senate resolution indicating that Members of this body would like to take up the budget, deal with it now, vote it up, vote it down, amend it, debate it, whatever.

I see my distinguished colleague from Louisiana is seeking the floor. I yield the floor in order that he may gain it in his own right.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank my distinguished colleague from Ohio for bringing to the attention of the Senate what I consider to be a vital issue with respect to Gramm-Rudman. That is the clock—the calendar. If you look at the calendar, and I know the majority leader has and I know the distinguished Senator from New Mexico has, there are precious few days left in this year. The Gramm-Rudman grim reaper is going to be upon us before we know it. There is going to have to be a negotiation at some point with the White House. At some point, it has to occur.

As I read in the newspaper, the White House does not want to talk right now. Maybe they do, maybe they do not. But we cannot afford to wait around, week after week, while the White House decides whether they want to talk or not.

I know the distinguished Senator from New Mexico [Mr. DOMENICI] wants to get on with this. These sentiments, Mr. President, are not said in a partisan way at all. To the contrary, they are said in a spirit of bipartisanship with respect to this budget. The same bipartisan spirit that allowed us to get a resolution out of the Budget Committee with a majority of Republicans and a majority of Democrats is the same kind of bipartisanship we are going to have to have on the floor of the Senate. And I hope we can. But it is going to take a certain period of time for the Senate to work its will whether the White House is on board or not.

I think we ought to get that process started and started soon. If we do not, we may end up on October 8 with the sequestration order coming down and everybody wringing their hands, saying, "How did this happen; why didn't we avoid it while there was still time to avoid it?"

Mr. DOMENICI. Mr. President, may I inquire of the Senator from Ohio if he intends to offer an amendment here shortly?

Mr. METZENBAUM. I shall be happy to respond to my colleague in just a few minutes. We are having some discussion of the matter at the moment.

Mr. DOMENICI. I thank my colleague.

Mr. President, I obviously am going to vote for the Symms sense-of-the-Senate resolution. I think that is exactly what we ought to discuss here. We ought to be talking about whether it is important enough to the United States and its people that we bring up a budget resolution and vote on it before we take up tax reform.

I would like also to say that if there are Senators around who support getting on with the budget resolution, if they think the Senator from New Mexico—because obviously, I am ready; I think we ought to get on with it. If they think I am going to support anything on the floor that directly or indirectly tells the leader what he ought to do and when he ought to do it, I guarantee I shall join with the leader in moving to table it. I do not think it does anything to solve the problem we find ourselves in.

The leader made a good point. We do not have just one House of the U.S. Congress that is supposed to be bound by law. The House of Representatives voted overwhelmingly for Gramm-Rudman-Hollings and they have an April 15 deadline, too. They do not have quite the impediments that flow from it that we do. But that law is quite clear. It does not say the U.S. Senate shall have passed a budget resolution, it says both Houses shall have passed a budget resolution by April 15 or there are some consequences and they are very severe. We cannot pass a budget from that day on without it being adopted.

The House has some impediments, too. They are not even supposed to adjourn in July until they have passed all appropriations bills. How are they going to do that? It seems to me we have to have some agreement if we are going to pass a budget.

This is a two-way street. I do not think it is right for me to stand on the floor, when the leader is trying his best, to leave the impression that I would support anyone from either side of the aisle who is introducing sense-of-the-Senate resolutions, resolutions freestanding or otherwise, that directly or indirectly tell the leader precisely how he ought to run the U.S. Senate. I do not think those of us who want the budget resolution to come up at any

time—and I am one of them. I am ready to do it tomorrow, Monday, Tuesday, whenever it comes up. But I do not think they enhance the chances of that resolution coming to the floor one bit by trying to tell the leader of the Senate how to run the Senate when it comes to matters such as this.

Having said that, the distinguished Senator from Kansas says that I am one of those who think we ought to get it up and get it up quickly. I am also one of those who does not think the issue is going to go away. I am also one of those Senators who does not think we can get 50 Republicans to support any budget resolution; I do not think we can get 40. I do not think we can get 40 Democrats to support one; I do not think we can get 30.

It is a very atypical budget year. I wish we could get something around here that would make it easier, make it easier for some of my colleagues to vote no because they do not want to be part of anything positive. It may be easier for the leader to take this up.

I frankly do not think we ought to do anything more today than vote up or down on the Symms sense-to-the-Senate resolution as modified to cover a matter that is rather urgent to the U.S. Senate on an agricultural issue.

I hope those who are contemplating the thought that we might vote up or down here today on telling our leader, the distinguished Senator from Kansas, how to conduct the business of the Senate, would not pursue that. I hope we do not do that.

I yield the floor.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New Mexico for his remarks.

Again, I do not have any quarrel with the Senator from Ohio because I think there are some politics involved in this. I know the budget is very important. I think we have demonstrated that in the past and intend to demonstrate it again. But I do believe that since the budget was only available a day before the recess, the leader—whether he be the majority or minority leader—certainly has the right to try to work out a better proposal and try to get more people on board, whether it is the White House or the Senators themselves.

I have indicated that I certainly understand the urgency of the budget. I served on the Budget Committee. I believe the Budget Resolution is much more important than many other things we are doing around here.

Having said that, I am not so certain that it is absolutely necessary that it be passed by April 15.

I hope the Senator from Ohio, having made his point, would not press the amendment. I does not really make any difference to this Senator, but I think if there is anything I have done since I have been leader, it is that I have kept my word, whether it be on the Genocide Convention or TV in the Senate, whatever it may be. Whether it has made Republicans happy or made Democrats happy, I did what I felt compelled to do. I hope we would not engage in a daily exercise of, in effect, directing the leader as to what he should do next.

Mr. JOHNSTON. Mr. President, would the Senator yield for a question?

Mr. DOLE. I yield, Mr. President.

Mr. JOHNSTON. Would the Senator have any idea at what point he will bring this up? If he cannot put together any coalition, is there any final point out there at which we can say, if all else fails, this will come up?

Mr. DOLE. I intend to try to visit with representatives of the President, if not today, tomorrow.

It may be that there is nothing to work out. It may be that it is better to bring it up and try to work it out while it is pending. We have 50 hours. That is 5 or 6 days. It may be that nothing will pass. It may be that it will be recommitted. It may be that we could offer a substitute that would have bipartisan support—lower the revenues a bit or do some other things. I really do not know.

It just takes so long to have meaningful sessions with those who are directly involved. But it is certainly a matter of priority to the leadership.

Mr. JOHNSTON. I hope the leader will, in that same spirit of bipartisanship that has been very strongly shown under the leadership of the Senator from New Mexico, keep us advised of how the negotiation is going so we might have some idea of when it is.

Mr. DOLE. We have had two meetings just yesterday with the Republican chairman and with the Republican leadership, with Mr. Miller sitting in on the chairman's meeting. There was a good exchange, I think, with a number of Senators on our side.

My view was that the White House indicated a willingness to discuss it. I know they are not involved in the budget process and the budget resolution, but they would be if we implemented the budget resolution. So it would seem to me if there is any way to work out any differences in advance, we generally try to do that around here.

But I do not care whether the amendment is offered or not. I am prepared to table it. I think we will table it. It may be on a straight party line. I would hope I would have every Republican vote. So if they want to offer it, it is fine with me.

Mr. METZENBAUM and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have been listening with great interest. I am a member of the Budget Committee and I wish we could get the budget out, but I am not sure that I want to partake in trying to tell the majority leader what to do. That is his job. I appreciate the prerogative that he has to have in that area. As one of those who was part of that bipartisan group which was put together under the able leadership of the chairman of the Budget Committee and the ranking Domocrat of that committee, I wish we could get it up. I happen to feel that the majority leader may be in somewhat of a tough position, but maybe not as tough as he indicated when he made a speech in Omaha, NE, this last weekend when he said, among other things about that budget, that the budget that came out of a bipartisan group was "as welcome in the U.S. Senate as a skunk at a lawn party." I would say to the leader that I am not sure it is quite that bad. I would really hope that what we could do, for a little free advice because I think I will be supporting this, if we could get that budget over here, which is here now, and bring it up, I wonder if that would not, as the majority leader just outlined, maybe develop the heat that is necessary for whatever compromise we need to have to get some 50 votes for the budget.

Mr. DOMENICI. Will the Senator yield?

Mr. EXON. I will be happy to yield.

Mr. DOMENICI. I think I could describe the skunk at the lawn party. It was described yesterday a little differently. He said yesterday, if it means the same thing, 25 Republicans are for it, 25 are against it, and the President is undecided. That is apparently what he meant when he was talking about it in Nebraska.

Mr. EXON. None of those skunks, of course, are Republicans.

Mr. DOMENICI. That meant everybody.

Mr. EXON. I thank the Senator.

Mr. DOMENICI. Let me say from my standpoint, as one who chaired that committee and took seriously the deadlines and all those things that we had so much rhetoric about in Gramm-Rudman-Hollings, that is why we worked hard and got the budget out here. But I appreciate the Senator's remarks that he does not intend to join with anyone here on the Senate floor in trying to dictate the schedule to the majority leader. I hope the Senate will join us on that. I think we will get the budget quicker if we do not try to do those things around here than if we try that.

Mr. EXON. I intend to vote that way but I simply say I am not voting that way for some of the reasons that have been enunciated here on the floor. I think it makes little difference to the U.S. Senate in this particular event

what the House of Representatives has done.

The House of Representatives should have acted sooner, but they have not. I would simply say that it was not the House of Representatives where Gramm-Rudman-Hollings was born and thrust upon the public. It was done here in this body. So I simply say that I think we have enough problems right here; we move ahead in an expeditious manner without trying to blame the House of Representatives for the failure to act here.

Mr. METZENBAUM and Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Democratic leader.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. METZENBAUM. Mr. President, will the minority leader be good enough to withhold that?

Mr. BYRD. I withdraw the suggestion.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, let me clarify the situation a bit because there seems to be some confusion. The Senator from Ohio has indicated that he intended to offer an amendment on behalf of himself, Senators JOHNSTON and BENTSEN, which would read as follows:

It is the sense of the Senate that the Senate Concurrent Resolution 120, the concurrent budget resolution, should be brought to the Senate floor for consideration at the conclusion of the pending measure in order to comply with the Gramm-Rudman-Hollings law.

That is all there is to the amendment. I did not send it up. I did not send it up purposely in order that the ranking member of the Budget Committee might get here before we did send it up. Nobody is attempting to take away the prerogatives of the majority leader. I discussed it with the majority leader before ever opening my mouth on the issue. I have discussed it with the majority leader since then. The majority leader has indicated that he intends to get the budget resolution up, as I understand it, just as soon as he possibly can and wants to bring it up as do so many of us in this body. He has made the point and I think he is correct, that if there were a vote absent the distinguished Senator from Nebraska I would guess that it would be pretty much along a party-line vote. That would be my opinion.

But regardless of whether or not that would be the vote, I do not think there is much question about it that the majority leader has sufficient following on his side to be able to defeat the proposed amendment.

Passage or failure of passage of the amendment is not the issue. The issue we are making is that many of us in this body want to get on with budget resolution.

We would like to comply with the Gramm-Rudman deadline. We would like to deal with the issue of balancing the budget. We think that the budget resolution which came out of the committee moved in the right direction, not a perfect document but better than no budget resolution at all. We are trying to say in offering this amendment, Mr. Leader, we are anxious to get on with the business of the Senate, and we believe the proper business of the Senate at the moment is to deal with the budget resolution. That is not to deprive him of his prerogatives as the leader. This is a wish, this is a hope, this is an indication of concern and desire on the part of many of us on the floor of the Senate.

Having said that and having been urged by the majority leader not to offer it, and having also had him make the point that when he had given his word with respect to the Genocide Treaty as well as with respect to a number of other matters that he and I have discussed in the past, he has always lived up to his word, I have no doubt in my mind that he is intending to do just that in connection with the budget resolution, and therefore I will not offer the amendment.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I wanted to address myself 1 minute to the majority leader and say I well understand his desire to keep his prerogative for setting the schedule. I think many of us on this side are sensitive to that. But the majority leader should understand there is a little sensitivity on our side. As the majority leader has said, he is trying to work out something with the White House and see if we could come to some agreement. But there is a little sensitivity on our side when we hear the President in his press conference lead off by saying, first, "The deadline for Americans paying their taxes, April 15, will be upon us in less than a week. April 15 is also the date that Congress is required to complete work on a budget resolution. Tens of millions of Americans will meet their deadline. They'll pay their taxes even if they have to spend the entire weekend figuring out how much they owe, but will the Congress meet its deadline for the budget resolution?"

Now, Mr. President, that is like the old situation where you rub manure in my hair and then you kick me out for smelling. It is one thing, I think, for us to say the President needs some time. But it's something else again for him to castigate the Congress when his people are over here saying do not move on the budget resolution, hold it up, keep it from passing; we do not want to see anything happen on that. To then have the President jump on the Congress, it is a little bit hard to stomach. So I want the majority leader to appreciate the sensitivity on our side when we get those kinds of remarks.

Mr. DOLE. I do not quarrel with the Senator from Florida. I think it applies to all of us. It may be in response to something I said earlier in the week, that I might be going it alone. But in any event, it is a budget resolution. The President does not sign it. It is something with which we have to deal. I would say that they are not trying to hold it up. There are just a couple people I need to touch base with before we start to move. I am fairly realistic. I would like to have a truly bipartisan final package and not one where you have maybe more Democrats voting for it than Republicans. That is bipartisan, but I am not certain how that would wash. So we are looking at some options as anyone would look at options, and I think I properly described it yesterday when I said you got about a 50-50 split and the White House sitting on the fence, except for those statements.

Mr. DOMENICI. Mr. President, I wish to add to what the distinguished Senator from Florida has said—and call to the majority leader's attention—that it is most interesting that the President is saying we should get on with our work.

I do not know whether very many Senators know that if you took the President's budget just as he sent it to us and you substitute that for our proposal and try to offer it on the floor of the Senate, it would be out of order, because it is $14 billion in outlays over the requirements of Gramm-Rudman—$14 billion in outlays. That is almost as much money as the President's budget saves in domestic savings. Slightly over 20 is my recollection. His, when he sent it over, was $14 billion over. Then he sent us another one. Maybe we should start to negotiate with him and ask him, "What would you change in yours to find $14 billion that was not accounted for in the sense of meeting the deadlines?"

To put that in perspective, I do not believe that makes some of the revenues we are talking about so outlandish. I do not think that the White House and all the people helping there could find $14 billion more in domestic cuts. Probably they could put it on a piece of paper, but I do not think they could send that over and expect anybody to vote for it. I do not think they would want to take $14 billion in outlays out of their defense number. That probably put it close to where we are, and they do not like that, and that is way too low.

Maybe if you took all $14 billion out of defense, you might have a number about like ours. That seems to be unacceptable. That is failing to put defense where it should be, and maybe it should be higher than the budget resolution prescribed. I am telling the Senate what I told the majority leader. We are not going to get through this year on budget matters without a lot of tough votes, and people will have to make up their minds so that they really want to vote for something that gets to Gramm-Rudman-Hollings, or whether they want to vote "no" on everything.

I said yesterday, and I want to tell Senators on the floor, that this is a strange year on budgets. I say to the Senator from Louisiana that we used to have an abundance of proposals. When I would get to the floor, I would have 20 proposals people sent me. All I am getting this year is letters, and the letters are saying, "We don't like it," and they are all asking somebody to do something else. There is one with 25 asking the leader to produce one or help produce one—help negotiate an alternative. We have a number saying what is wrong with it. We do not have one saying what they would do.

That puts the debate we will have here—I hope in the not too distant future—into perspective. Everybody thinks there is an easy way out; and when they get down to looking at the numbers, there is not an easy way out. Yes, somebody can propose a lot more cuts, but I do not know who will vote for it after you have done the job of providing more domestic cuts. More defense, a lot more—maybe I would vote for more. Where would they get the money?

Mr. CHILES. I think the Senator knows that the bipartisan budget we voted out of the committee is $4 billion less in spending outlays than the President's budget.

Mr. DOMENICI. Overall.

Mr. CHILES. Yes.

Mr. DOMENICI. It could be.

Mr. BRADLEY. Mr. President, does the Senator think that the resolution that has been offered by the distinguished Senator from Minnesota helps to get Senators to make the tough choices?

Mr. DOMENICI. I certainly do not think it hurts.

I did not cosponsor it because, frankly, I do not think we should make tax reform contingent upon getting a budget resolution negotiated with the President of the United States. I think that is the closing statement. I am going to vote for it. I think we should amend it and take that out and say we should not get on with it until we have a budget resolution passed by Congress and then take up the tax bill. We have never had a budget resolution coming out of conference that has been the President's budget resolution in 14 years. Otherwise, I think the content would be helpful.

Mr. BRADLEY. Mr. President, it seems to me that there is no reason why the Senate Finance Committee should not go ahead and work and see what it can produce in the way of a tax reform bill, as the Senate Budget Committee worked to see what it could produce as a budget bill.

The idea that there should be some kind of precedence given to one thing over the other in timing is contrary to the way the Senate has always functioned, and it is illogical. At a time when we are going to look at the budget to cut, when we are going to look at programs to cut, we also ought to be able to look at the biggest spending program, which is the whole tax expenditure section.

It seems to me, further, that if we are going to ultimately adopt a proposal similar to the one that came out of the Senate Budget Committee, which includes revenues, we almost should deal with tax reform first. I am not making that case or going to make an amendment today.

If you are going to raise revenues and you raise revenues, under the present system the people who will be paying it are the people who are now paying—by and large, middle-income people.

If you were able to do tax reform first, you would get people with equal incomes paying their fair share, paying about equal taxes. Then you could get some increased revenues.

I make the argument—and in the future I will make it longer—that you should do tax reform first, before you get to the budget. But certainly you should not change the way the Senate has always functioned and say, "No, no, you can't even consider tax reform on the floor," if the Finance Committee had managed to move through and managed to mark up a tax reform bill by the time you got a budget resolution, which seems unlikely.

Why should the Senate say, even if the Finance Committee was not able to do that, "You may not bring it to the floor until you have agreement on a budget resolution"?

The modifications that have been offered, as I have heard discussed here by the Senator from Minnesota, do not appreciably change this. They change it in the sense that you can mark it up in the committee, but they do not change it in the sense that if the committee goes ahead and does it, you cannot bring it to the floor.

I view it as a delaying tactic. For someone who is interested in tax reform, there is no reason, if we get through the Finance Committee, why we should not bring it to the floor. I think it is a delaying tactic by the opponents of tax reform. Why we want to mix that up in this whole budget debate, I do not know.

Why you want to tell your President, "No, we're not going to do tax reform," and try to hold him hostage for some kind of agreement on a nonbinding budget resolution is beyond me.

Mr. DOMENICI. The Senator means a nonbinding resolution?

Mr. BRADLEY. A nonbinding resolution.

Mr. DOMENICI. The Senator does not mean the budget resolution?

Mr. BRADLEY. No, a nonbinding resolution, offered by the Senator from Minnesota, on the budget.

Mr. DOMENICI. I say to the Senator from New Jersey that as I read the operative words as presently pending, it says: "It is the sense of the Senate that tax reform should not be considered or debated by the U.S. Senate"—they do not talk about "committee"—"until a firm, definite budget," and so forth.

Frankly, I do not know why the Senator from New Jersey, who is obviously extremely interested in tax reform, is all that concerned. I think we should adopt this because it is the overwhelming sentiment of the U.S. Senate, from what I can tell—that this is what they want to do. They want to have a budget resolution wrapped up and operative before they consider tax reform, and that is what this says.

There are all other kinds of reasons you might bring up, who is for tax reform and who is not. We will get that vote someday, I suspect.

Mr. BRADLEY. Let me just say to the Senator from New Mexico and the Senator from Minnesota that there is no reason to prejudge that now. We should go ahead and do what we can to mark up a tax reform bill and go ahead and do what we can to mark up a budget bill, and whichever one is finished first should come to the floor.

You should not attempt to delay tax reform if we can get it done in the committee. I do not know you would want to delay tax reform if a part of the agenda was not to try to kill tax reform.

Therefore, the changes that I have seen made do not appreciably change from my perspective, and I see this, as I said earlier, as a declaration of intention that the supporters of this resolution want to take every opportunity to delay the consideration of tax reform and ultimately to kill it. That is the agenda.

I ask for the yeas and nays on the resolution.

Mr. BOSCHWITZ. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Is there further debate?

Mr. BOREN. Mr. President, I will just take one brief moment because I know the Members are anxious to vote on this matter. I compliment the Sen-

ator from Minnesota and the others who have joined with him.

The people of this country have been wanting to know when we are going to put first things first. There is no more pressing need in this country than to take action to get these budget deficits under control and then to develop a strategy for maintaining our competitive position in the world market.

Those are the two priorities that we must face dealing with the budget deficit and the trade deficit.

That is not to say there are not some elements of unfairness in the present Tax Code that should be corrected. There should be and there is room to accomplish some reform of that present Tax Code.

But let us do first things first. We all know that if you spend an hour of your time doing one thing you have made a choice. You cannot spend that same hour doing something else. It is time that we meet the real problems of this country first and spend the precious time we have on the Senate floor and in committee dealing with those issues that are most serious to the American people.

I saw the results of a poll in my State recently. An open-ended question was asked, "What is the most important problem facing the country with which we should be dealing?" It was an open-ended question. Forty-seven percent said doing something about the budget deficit was the most important problem. Then you have an agricultural issue, job issues, the trade deficits, all the rest; then, at three-tenths of 1 percent, action on changing the Tax Code was mentioned. Three-tenths of 1 percent, a threshold of more than 350 to 1 in terms of priorities as the people see them, and the people are absolutely right. It is another case of their being ahead of the politicians.

It is time that we listened to that popular wisdom and did the job that the people sent us up here to do.

I commend the Senator from Minnesota, the Senator from Idaho, and others who are taking this position. It does not mean that we will forever set aside tax reform. It does not mean we will never deal with unfairness in the Tax Code. It simply says let us do first things first for a change. Let us take care of the real problems of this country before we fritter away the precious time available to us on things that ought to follow on after we deal with the underlying economic problems of this country.

I would also point out it will not delay tax reform because I am informed that under the Budget Act itself in terms of the parliamentary rules of this body, it will not be in order for us to take up a bill which alters revenues on the floor of the Senate until we have acted on a budget resolution anyway. Even if the bill is revenue neutral, there are individual portions of the bill which will lose revenue and, therefore, it will not be in order to take it up until we have dealt with the budget resolution.

So, we are in no way delaying progress on tax reform. We are simply saying we agree with the American people. We understand our priorities should be to deal with the budget deficits before we go into other matters, and I think that is exactly what the Senator from Minnesota is saying.

I enthusiastically support his proposal.

The PRESIDING OFFICER. Is there further debate?

Mr. BRADLEY. Mr. President, I will not debate the substance of whether the people of the country want the budget deficit reduced or whether they want fair income taxes more. I think I see where most of the votes on this resolution will come from.

I will simply remind the Senate this is a nonbinding resolution and has no effect whatsoever on the ultimate decision whether we move a tax reform bill through to the floor.

AMENDMENT NO. 1764

Mr. LEVIN. Mr. President, I support reforming the Tax Code. I support a stronger minimum tax on profitable corporations and wealthy individuals. They should pay their fair share.

But I also believe that we should reduce the deficit in a way that does not destroy vital programs. That is why I believe that the revenues from tax reform should be used to reduce the deficit, and not to provide tax cuts. When a nationwide poll was conducted in which people were asked whether the revenues generated through tax reform should be used for deficit reduction or tax cuts, people supported deficit reduction by a margin of 68 to 22 percent.

I believe that if tax reform goes first and the revenues from the minimum tax, for example, are used to provide lower taxes rates, then those revenues will not be available to be used to meet the Gramm-Rudman targets. Thereby, all the burden to meet those targets will be shifted to the spending side and will mean severe cuts in vital programs.

From what I hear, the Finance Committee is turning over every stone to find revenues to keep its tax reform bill revenue neutral. If the Finance Committee continues to do that, and if the final product of tax reform is considered before the Congress considers the budget, then what chance is there for revenue to be available in order to comply with the requirements of a budget resolution that we may subsequently pass—whether it is the $6 billion in revenues that the President's budget calls for or the $18 billion that the Domenici-Chiles budget calls for? You can't sell the Brooklyn Bridge twice, and you can't double-count the revenues generated by tax reform.

Like my colleague from New Jersey, I don't like the Tax Code exactly like it is now. I want to see reform. And that reform, from a strengthened minimum tax for example, should not increase the tax burden on low- and middle-income taxpayers. But that can be accomplished through a nonrevenue neutral tax reform bill. And the revenue raised through nonrevenue neutral tax reform could be used to reduce the deficit, thereby taking some of the pressure off of the vital programs which my colleague from New Jersey and I both support.

Let me clear, however, that if I had my preferences, I would not word this resolution precisely as it is. I think we should consider the budget right away without waiting for an agreement with the President. If he wants to join in, fine. But the deficit reduction train should not wait endlessly at the station for him to decide whether he wants to get on.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the amendment of the Senator from Idaho. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Florida [Mrs. HAWKINS], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 72, nays 24, as follows:

[Rollcall Vote No. 60 Leg.]

YEAS—72

Abdnor	Ford	McConnell
Andrews	Garn	Melcher
Armstrong	Glenn	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Nunn
Boren	Harkin	Pressler
Boschwitz	Hatch	Proxmire
Burdick	Hecht	Pryor
Chiles	Heflin	Quayle
Cochran	Heinz	Rockefeller
Cohen	Helms	Rudman
D'Amato	Hollings	Simon
Danforth	Johnston	Simpson
DeConcini	Kassebaum	Specter
Denton	Kerry	Stennis
Dixon	Laxalt	Stevens
Dodd	Leahy	Symms
Dole	Levin	Thurmond
Domenici	Long	Trible
Durenberger	Lugar	Wallop
Eagleton	Mathias	Warner
East	Matsunaga	Weicker
Evans	Mattingly	Wilson
Exon	McClure	Zorinsky

NAYS—24

Biden	Byrd	Grassley
Bingaman	Chafee	Hart
Bradley	Cranston	Hatfield
Bumpers	Gore	Humphrey

Inouye	Metzenbaum	Riegle
Kasten	Mitchell	Roth
Kennedy	Packwood	Sarbanes
Lautenberg	Pell	Sasser

NOT VOTING—4

Goldwater	Moynihan
Hawkins	Stafford

So the amendment (No. 1764), as amended, was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

The Senate will please be in order, and Senators will clear the well. Will Senators please clear the well and the aisles?

Mr. DOLE. Mr. President, if I could have the attention of my colleagues, I have been discussing the pending business with the distinguished minority leader and the distinguished Senator from Maryland, Senator SARBANES.

It has been suggested perhaps if we could reach some agreement on final disposition fairly early tomorrow, that we might be able to continue to take a couple of amendments or whatever tonight and still leave here at a reasonable hour. I have no objection to that, if we can work on some agreement.

I am going to ask staff to see what we can put together, how many amendments there may be, and see if we can reach some time agreement on when we could have final passage which probably will come, hopefully, before 12 o'clock tomorrow.

There might be another bill called up after that which would require a rollcall or two, but still get us out here hopefully by 2 o'clock or 2:30 tomorrow afternoon.

I will make some definitive announcement after we have had a chance to explore it further with the Senator from Maryland.

Mr. SARBANES. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. SARBANES. Mr. President, we have the afternoon pretty well chewed up on amendments. I know Senator MATHIAS has one amendment and possibily two of consequence. I need to talk with him. Senator HOLLINGS has an outstanding amendment. I have a number of amendments at the desk, but I think they can be boiled down into just a few. So we might be able to dispose of some of those tonight and have only a couple tomorrow, with a very limited time period, agreeing to a vote at a certain hour, vitiate the cloture and address final passage of this bill sometime at a reasonable hour in the morning.

That was my thought. That would enable Members to make their plans accordingly.

Mr. DOLE. I certainly have no objection to that, if we can determine the amendments and how long it might take. In the meantime, I will be in contact with Senator MATHIAS.

Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that proceedings under the call of the quorum be suspended.

The PRESIDING OFFICER (Mr. HUMPHREY). without objection, it is so ordered.

AMENDMENT NO. 1766

(Purpose: To provide that certain revenues at one Metropolitan Washington Airport may not be used at the other airport, and for other purposes)

Mr. MATHIAS. Mr. President, I send an amendment to the desk on behalf of myself and on behalf of the distinguished Senator from Maryland [Mr. SARBANES].

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. MATHIAS], for himself and Mr. SARBANES, proposes an amendment numbered 1766:

On page 41, strike out lines 17 and 18 and insert in lieu thereof "and in conformance with section 511 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2210), no landing fee, automobile parking concession, terminal area or other building rental, land lease, or any other concession, rent of user charge providing operating revenue to the authority."

On page 41, line 19, insert "generated" after "(A)."

On page 41, line 20, insert after "operating" the following: "or capital."

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including."

On page 41, line 23, insert "generated" after "(B)."

On page 41, line 24, insert after "operating" the following "or capital."

On page 41, line 24 continuing on page 42, line 1, strike out "excluding" and insert in lieu thereof "including."

On page 42, insert between lines 2 and 3 the following new paragraph:

(9) To further the intent of paragraph (8), the Airports Authority shall—

(A) maintain separate financial records for Washington National Airport and Washington Dulles International Airport;

(B) prepare an annual report on the operation of the Metropolitan Washington Airports in accordance with the audit procedures set forth in paragraph (6) of this subsection; and

(C) submit such report to the Congress.

On page 42, line 3, strike out "(9)" and insert in lieu thereof "(10)."

Mr. MATHIAS. Mr. President, I am grateful to the clerk for having read the amendment because this amendment, which I submitted on behalf of the Senator from Maryland [Mr. SARBANES] and myself, is slightly different from the amendment on this general subject which I had earlier introduced. Therefore, for all of those fans of this fascinating unfolding drama, I submit that in following their programs they will notice that there is a slight deviation from the schedule. So the clerk has made it clear exactly what is changed.

This amendment in very few words prevents cross-subsidization between National Airport and Dulles Airport, both in terms of operating revenues and in terms of capital improvement funding. It means that the revenue generated at National from the concessions, from the landing fees, from the automobile parking, from other activities—in other words, the revenues that people who went to National have paid—cannot be used to subsidize the fee structure at Dulles for the people who may go to Dulles. It is the principle of keeping your money at home. Revenue from National cannot be used to support debt service associated with capital improvements that may be made at Dulles. It requires that the airports in the new authority operate like all other airports in the country. They have to maintain separate books, separate cash registers. Each barrel has to stand on its own bottom.

Now, a common cash register approach to operating National and Dulles, if that were to be permitted, would in fact be anticompetitive. For example, it would give to Dulles an unfair competitive advantage over the third airport serving the Washington metropolitan area, the Baltimore-Washington International Airport. By treating National and Dulles as a single revenue cost center, landing fees at the more popular National would continue to underwrite the fee structure at Dulles, making Dulles appear to be a lower cost facility than it otherwise would be for both incumbent carriers and for potential new entrants. Additionally, the amendment that my colleague from Maryland and I have offered ensures that the size of any capital improvement program at Dulles would be related directly to the capability of Dulles to support its own bonded indebtedness. You simply would not have what is literally a free ride at Dulles. This would not be a free ride at the expense of National Airport. That is one of the misnomers or misapprehensions or misconceptions that have gotten into this debate. It is not going to be at the expense of National Airport. It is going to be at the expense of people who use National Airport. If you are thinking about consumers and if you are thinking about what is fair, I think this amendment is essential.

Further, operational cross-subsidization is inconsistent with the Airport and Airway Improvement Act of 1982

which requires airport proprietors to operate on the basis of their own revenues and their own resources. It requires that each airport be independently financially stable.

Now, thanks to an amendment that was offered by the Senator from Kentucky [Mr. FORD] during the Commerce Committee consideration of Senate bill 1017, the bill already restricts the authority from using the revenues available from landing fees and from parking at National Airport to subsidize the fee structure at Dulles. It is interesting to note that these revenue centers account for an estimated 50 percent of the two airports' combined revenue.

What the language that we offer here adds is the inclusion of terminal building rentals, land lease revenues, and other concessions to the list of revenues that are declared as being inappropriate and ineligible for cross-subsidization. So this amendment would serve to eliminate the practice of using National Airport as a "cash cow" to underwrite the user fee structure at Dulles.

As I have already stated, our amendment serves to preclude the authority from pooling together revenues to issue consolidated revenue bonds to support the capital needs of those airports. There is no sound financial reason to use National Airport's revenue.

Again I have slipped into the error so common in this debate: There is no reason to use the moneys that are paid into the National Airport coffers by the customers at National Airport—it is not the airport's money; it is the consumers who put it up, in the long run—or to use the revenue to support the capital bonded indebtedness of Dulles.

While improvements are needed at Dulles, the capital development program should be phased to meet passenger demand and the financial capacity of Dulles and of the carriers at Dulles to absorb the cost. Using National Airport simply as a cash cow will serve to promote over-construction at Dulles, while development projects at National will be deferred or canceled because the bonding capacity has been already limited at National.

Mr. President, for these reasons, I respectfully submit to the Senate that this is a simple amendment. It is not hard to understand. It makes common sense. It is consistent with existing law. It just applies to these two airports the rules that are applied in Denver, San Francisco, Fort Worth, Houston, St. Louis, Chicago, Boston—all around the country. We are simply applying the rule which the 1982 act makes otherwise universal throughout the United States. I submit that the Senate should adopt this amendment.

Mr. SARBANES. Mr. President, I rise in very strong support of this amendment. I am pleased to join my able and distinguished colleague from Maryland in bringing it forth.

The amendment addresses a very serious deficiency in this legislation. It is very important for our colleagues to understand what the problem is and why it is of such concern.

The cross-subsidization between National and Dulles, permitted by this bill to the authority, whereby the revenues from one airport could be used to subsidize the other, present a very serious, unfair competitive situation for BWI, which is in direct competition with Dulles.

Second, it presents a difficult situation as between the two airports and their users, because instead of each airport standing on its own, as is the pattern throughout the country, the ability to cross-subsidize would enable one airport to underwrite the other and therefore not reflect what was really occurring in terms of the usage and efficiency at that particular airport.

This bill focused on National and Dulles as a single unit, and this problem is a reflection of that. By structuring an unfair competitive situation for BWI, it places in jeopardy BWI's ability to provide high-level service to the entire region. It is very important to keep in mind that the Washington metropolitan area is served by three major airports and that a fair competitive airport policy as among the three will result in better air services.

The bill recognizes this program, in effect. In other words, there are provisions in the legislation as reported by the Commerce Committee that pay some attention to the cross-subsidization issue.

Unfortunately, it contains a loophole as wide as a hangar door which would allow any revenues at one airport to be used for debt service and depreciation at the other, and would allow some revenues, such as concessions and leases, to be used for any costs at the other.

In other words, on page 41, the bill limits the use of the landing fees and parking revenues at one airport from being used for maintenance or operating expenses at the other. First of all, landing fees and parking revenues are only part of the revenues at a particular airport. I am told that at National they amount to about 50 percent of the revenues. So there is a very significant dimension of revenues not covered in the bill.

Second, the preclusion and the use of those revenues, even the ones that are covered at the other airport, apply only for maintenance or operating expenses and exclude debt service, depreciation, and amortization.

If you can use any revenues from one airport to underwrite capital costs at the other, the limitation that the parking revenues and the landing fees cannot be used for operation and maintenance becomes meaningless, because, in effect, the objective is accomplished indirectly, through the use of parking revenues and landing fees to underwrite capital costs—namely, debt service, depreciation, and amortization.

What this amendment would do would be to expand the revenues covered and bring capital costs within the purview of the costs for which they could not be used.

I think that is a very sensible proposal. It goes to the very heart of the unfair competitive issue which has been raised. It provides, in effect, that each airport is going to have to make its own case, stand on its own, which is what is required of airports all across the country.

Second, what it means is that the development at one of these airports is not going to be shortchanged in order to achieve development at the other airport, in other words, that the authority will not be able to shortchange one of the two airports in order to benefit the other one through the shifting of revenues to underwrite costs.

In effect, what we are seeking is that the two airports, in a financial sense, be handled on a separate basis, and this amendment would accomplish that. It, therefore, would set up a fair competitive situation between Dulles and BWI. In other words, Dulles and BWI are equidistant from Washington. They compete directly from one another. Maryland welcomes that competition. But we do not think we ought to be thrown into a context in which Dulles can be underwritten by the profits from National, just like I would not advocate that BWI be underwritten in the competition with Dulles by the profits from National.

National is a highly profitable airport and if there is the capacity in the authority to use those profits to underwrite the activities at Dulles, they will be able, in effect, to subsidize Dulles and enable it to compete unfairly.

We seek competition. We welcome it. We are prepared to deal with it. We anticipate a revitalized Dulles will be a strong competitor. But we think it should be based on its own situation and not draw sustenance, as my colleague from Maryland said, not draw from a cash cow, which is National Airport.

If that is permitted to happen, you are not going to have a fair competitive situation. It is going to have an impact on the air service that the region receives because to receive the best air service the region needs three first-rate airports and to achieve that I think you do the best by establishing a fair competitive policy.

That is a major weakness in this legislation. The provisions that were put in which recognized the problem—obviously just putting in the provisions was recognition of a problem—do not in fact cover the problem, and the amendment which has not been proposed is designed to do exactly that, by in effect saying that the revenues at one airport cannot be used for maintenance, operating, or capital expenses at the other. In other words, there cannot be a cross-subsidy and therefore—you significantly limit the possibility of an unfair competitive situation.

I think this is a very important and very worthwhile amendment, and I am pleased to join with my colleague in urging its adoption by the Senate.

Mr. TRIBLE. Mr. President, I rise in opposition to this amendment. The purpose of this amendment is to increase costs and slow down the airport improvements. This amendment benefits no one. Indeed, it is a back door way of dividing and thereby attempting to conquer. This is an effort to separate Washington Dulles from Washington National, to drive up costs to the traveling public, and to destroy the symmetry of operation that all airports around this country enjoy.

Let me talk about this amendment. There are no benefits to anyone. It will only drive up costs. It is really only a punitive effort and that I regret at this later hour. The fact is no one does it, and I want the RECORD to be perfectly clear that my distinguished colleague from Maryland was in error when he suggested that the law supports this amendment. The AIP act says only that you must use all revenues for airport purposes. It does not; I repeat does not, prohibit two or more airports from pooling revenues and dividing them between the airports as they see fit. I would read into the RECORD section 511 of the Airport and Airway Improvement Act, 1985. It makes that very clear. It is and I quote:

> All revenues generated by the airport, if it is a public airport, will be expended for the capital or operating costs of the airport, the local airport system, or other local facilities which are owned or operated by the owner or operator of the airport and directly related to the actual transportation of passengers or property.

The law could not be clearer, and, indeed, experience would be more evident that this is common practice throughout the country.

Cities with multiple airports have single management; they have similar financial arrangements among airports, in New York City, Chicago, Los Angeles, Kansas City, and Houston.

Let us go beyond that, beyond the legal base for what is proposed by this bill. Let us go beyond common practice which suggests that this is not only appropriate but also an appropriate method of maximizing resources and providing better services to people.

What is the rationale for this amendment? What is the rationale for this punitive kind of initiative?

The reason seems to be the notion that Dulles competes in some way unfairly with BWI or will at some time in the future. The reality is that BWI does better than Dulles with higher rates now and under this legislation the rates at Dulles will go up and they will go up sharply. Indeed, that will be necessary to support the substantial enhancement of these airports.

Moreover, in the past 5 years, there has been dramatic growth at BWI of 77 percent, with 7 million passengers. This is a good airport. It should not fear competition. Indeed, these airports serve discrete geographic and population areas. The Council of Governments survey recently showed that only 6 percent of the people using BWI would prefer Dulles. Only 5 percent using Dulles would prefer BWI.

These airports are not involved in a zero sum game. With a slot limitation at National, with the dynamic growth of this metropolitan region, all of our airports will continue to grow at a rapid rate, and our challenge is to ensure that we can meet those requirements, and that is why this legislation is so important.

This amendment would split all concession revenues between the two airports, require the airports to keep separate books. Absolutely no benefits are provided by such an arrangement. It would create an added administrative nightmare trying to determine how to pay for equipment and personnel to serve both airports.

The committee has addressed these concerns, and the committee when marking up this measure adopted an amendment proffered by the Senator from Kentucky [Mr. FORD] that meets these concerns head on and it does it in a responsible fashion.

The two largest components of this whole cross-subsidy question are landing fees and parking, and this amendment specifically says you cannot take one from the other at either airport.

The committee addresses the real evil of artificially low rates by ending uniform landing fees. This bill provides that landing fees must be based on the cost of the individual airports.

Moreover, landing fees represent a tiny fraction of the total cost of airlines and, therefore, are not a major consideration, the evidence is BWI's dramatic growth in spite of the fact that landing fees are substantially higher today at BWI than they are at Dulles today.

To do more than this would simply destroy the operating efficiencies, increase costs of improvement, and place a real burden on the traveling public. Nothing is to be gained by that.

And let me say in response further to the observations of my colleagues from Maryland, BWI benefits from a cross-subsidy in its operation today. It is subsidized from the Maryland Consolidated Transportation Fund. Those moneys, in large measure, are generated by motorists who pay motor fee taxes and vehicle registration fees. So cross-subsidization is a reality. This amendment would do violence to this bill by destroying the symmetry of operation, the efficiencies, the ability to establish a more coordinated transportation policy for this metropolitan region.

For all those reasons, this amendment ought to be defeated and it would be my intention to move to table this amendment when my colleagues have had an ample opportunity to make their case.

Mr. WARNER. Mr. President, I also address the issue that capitalization is required for the improvements here and in effect this amendment would curtail the ability of such revenues to be used in connection with the capitalization and the pledging for the proposed bond contentions. So I concur in the observations by my distinguished colleague that that is the real purpose of this amendment to get at the ability to do the proper capitalization for improvements.

Mr. MATHIAS. Mr. President, it is interesting that some difference of opinion has arisen on the question of the current state of the law, but that is not unhealthy.

Mr. TRIBLE. Or unprecedented, I guess.

Mr. MATHIAS. That is one of the reasons this body exists and the courts exist in order to resolve differences of opinion and try to come out with some mutually satisfactory solution. I think it is useful to look at the Airport and Airway improvement Act of 1982, which is rather precise in section 511(9) which provides:

> The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport, taking into account such factors as the volume of traffic and economy of collection, except that no part of the Federal share of an airport development or airport planning project for which a grant is made under this title or under the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate base in establishing fees, rates, and charges for users of that airport.

Now it is perfectly clear that the intent of Congress was that each airport shall operate independently. That is what this amendment mandates. This, of course, refers to operating revenues. The amendment necessarily looks at other aspects, but the law on operating revenues is clear and certainly the intent is clear that the air-

ports shall be as self-sustaining as possible.

Now, I want to say that I appreciate the candor of the distinguished junior Senator from Virginia, because he has been very honest. He has put the Senate on notice. He has put the whole Congress on notice. He has put the future users at National Airport on notice that the money that they paid in at National is going to be put in a C-5A transport plane and shipped to Dulles in large quantities. And that necessarily is going to distort the rate structure at National.

For the moment let us leave BWI out of this. Let us look at what is going to happen to National and to Dulles. This is an internal question within the new authority, if it ever comes into being. And the junior Senator from Virginia has said perfectly frankly we are going to raid the till at National in order to do some things out at Dulles. I think it is commendable that we have got it all out on the table now. I believe it is a mistake. I do not think it is right for the consumer, for the traveling public. I do not think it makes good sense because it does lead to distortions of the process. For that reason I think that the prohibition against cross-subsidization is sound. In the long run it will be in the interest of the new authority, if, as, and when the new authority goes into operation. Those who have to operate that authority will be grateful to us at some time in the future for this element of discipline and restraint that the Congress now has an opportunity to impose.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. Surely.

Mr. WARNER. I draw the Senator's attention to page 46 of the bill, section 10, which I shall now read:

> In order to assure that the Airports Authority has the same proprietary powers and is subject to the same restrictions with respect to Federal law as any other airport, except as otherwise provided in this Act, during the period that the lease authorized by section 5 of this Act is in effect—
>
> (1) the Metropolitan Washington Airports shall qualify as a "public airport" under the terms of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2201 et seq.), shall be eligible for Federal assistance on the same basis as any comparable public airport operated by a regional authority, and shall be considered to have accepted a grant on the date of transfer.

I read this to say it is the intention here of the Senate, in the event it accepts this bill as now drawn, to comply with the very law that the Senator has pointed out.

Mr. SARBANES. If the Senator will yield on that point, that is clearly not the case, because the bill has a very specific provision on the question of cross-subsidy. But, unfortnately, it is a provision that is so limited in its scope that it does not, in fact, address the cross-subsidy issue, and that is on pages 41 and 42, where it says, "notwithstanding any other provision of the law," and then limits the use of landing fees or revenues from parking automobiles only and limits them only to certain purposes.

Actually, my colleague from Maryland has made a very important point here, and that is that this issue involves not only a fair competitive situation for BWI vis-a-vis Dulles, but also involves the very important question of the relationship between National and Dulles within this authority and the users of those airports ought to think long and hard about a provision whereby the revenues at one can underwrite the cost structure at the other.

Mr. WARNER. Will the Senator yield for a question?

Mr. SARBANES. Surely.

Mr. WARNER. My recollection of the legislative history is that the very provisions the junior Senator from Maryland has just read, that is section (8), "notwithstanding any other provision of law," was added as an amendment during the committee process by Senator FORD at the request of—I see the distinguished senior Senator from Maryland rising.

Mr. MATHIAS. The Senator from Virginia is exactly right. That is fine, as far as it goes. Our only point is that it should go further, it should cover other sources of revenue.

Mr. WARNER. But the point is the provision I read was put in at your request by Senator FORD.

Mr. MATHIAS. And it improved the bill. We just want to make it a little better.

Mr. WARNER. Mr. President, I say to my distinguished colleagues both from Maryland——

Mr. MATHIAS. I would say to my friend from Virginia that the language which the Commerce Committee, in its wisdom and judgment, adopted, was not the language that I personally had proposed. I had something a little more comprehensive in mind.

Mr. WARNER. Very well, then, the wisdom of the committee prevailed here. But, nevertheless, it was done at your request.

Mr. SARBANES. But the consequence of the wisdom of the committee was to create a loophole that swallows the limitation. That is the problem. In other words, this thing is as wide as a hangar door because if you can take your parking revenues, your landing fees, and pay your capital costs, it does not matter that you cannot take them to pay the operating costs. You are simply accomplishing it in a different direction. That is all.

Mr. MATHIAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Members of Congress use National Airport. They should be aware that they are going to pay more in costs at National Airport. We are on notice now. Revenues will be siphoned off from National for other purposes than that of operating and developing that airport. The carriers who land and take off at National Airport are now on notice that their fees, and their costs are going to be greater because revenues at National will be siphoned off.

So this is really an important issue. It does not deal with the parochial dispute between the good neighbors of Maryland and Virginia. It deals with the traveling public that is going to use National. That includes every Member of Congress. It includes millions of our constituents throughout the country. It is a basic question of fairness to them.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. This amendment demonstrates that our friends from Maryland are never satisfied. They expressed some preliminary concerns about the competition. The amendment offered in committee embodies those concerns. It met those concerns fully.

Mr. MATHIAS. If the Senator will yield, the Senator knows this language that was adopted is not language that we suggested.

Mr. TRIBLE. All I can say is that this was offered by Senator FORD who was advancing the Maryland position and expressing the thoughts and concerns of the opponents of this measure. He agreed to it, and found it eminently fair, as did a decisive margin of Republicans and Democrats in the Commerce Committee.

Now the opponents are not satisfied. They are endeavoring by way of this amendment to separate these airports, to ensure that they stand alone. That simply will defeat the whole purpose of this legislation which is to establish a regional approach to the dynamic transportation needs of this region.

Mr. President, I move to table this amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Maryland. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Florida [Mrs. HAWKINS], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 61 Leg.]

YEAS—54

Abdnor	Grassley	Nickles
Armstrong	Hart	Nunn
Boschwitz	Hatch	Packwood
Chafee	Hatfield	Pressler
Cochran	Hecht	Quayle
D'Amato	Heflin	Rockefeller
Danforth	Helms	Roth
Denton	Inouye	Rudman
Dixon	Johnston	Simpson
Dole	Kassebaum	Specter
Domenici	Kasten	Stennis
Durenberger	Laxalt	Stevens
East	Long	Symms
Evans	Lugar	Thurmond
Garn	Mattingly	Trible
Glenn	McClure	Wallop
Gorton	McConnell	Warner
Gramm	Murkowski	Wilson

NAYS—43

Baucus	Exon	Melcher
Bentsen	Ford	Metzenbaum
Biden	Goldwater	Mitchell
Bingaman	Gore	Moynihan
Boren	Harkin	Pell
Bradley	Heinz	Proxmire
Bumpers	Hollings	Pryor
Burdick	Humphrey	Riegle
Byrd	Kennedy	Sarbanes
Chiles	Kerry	Sasser
Cohen	Lautenberg	Simon
Cranston	Leahy	Weicker
DeConcini	Levin	Zorinsky
Dodd	Mathias	
Eagleton	Matsunaga	

NOT VOTING—3

Andrews	Hawkins	Stafford

So the motion to lay on the table the amendment (No. 1766) was agreed to.

Mr. FORD. Mr. President, I do not know whether there is any time limit on what we are doing here, but my name was used considerably during the consideration of the last amendment.

It is true that I helped work out a compromise, but the original amendment I offered was the best amendment. Senator MATHIAS offered the original amendment, and had I been here and had the opportunity, I would have supported Senator MATHIAS with respect to that amendment. Even though I did participate in the compromise, the Mathias amendment was correct, and I would like to have that as part of the Record.

Mr. GOLDWATER. Mr. President, while we have a little time, I want to take this opportunity to explain why I intend to vote against this legislation.

I know a little bit about airports. I have been connected with them in different parts of the country, helped to build several in my home State. They are very desirable things to own. If run properly, they are great moneymakers.

However, Mr. President, never in my life have I seen such a ridiculous situation as we are getting to here, where we are selling land which, if it is not worth $1 billion, it is not worth a penny. And we are selling it for $47 million!

I think it is time this body has the courage to tell somebody downtown that as much as we want to sell this land to Virginia—and I would love to sell it to Virginia—it does not make common sense to me to give something away.

If the people who want to buy this land want to offer what it is worth and if we have no idea of what it is worth, I can assure you that we can find people all over this country who can come here and appraise the value of Washington National.

Can you imagine what would happen to Washington National if Virginia decided to take up the runways and build condominiums or office buildings down there? Talk about $47 million. It would cost that much to build a parking lot.

How about Dulles, the finest airport that has ever been built in the entire world?

At $47 million?

Mr. President, I think it is absolutely stupid and I think this body is going to go down as one of the most stupid Senates that we have had in our history allowing something like this to happen.

If you want to sell land like this, I have millions of acres in Arizona. I would take $47 an acre just to get it.

Now if we are going to give $47 million for a handful of acres that has two beautiful airports on them, I just want to get in the action. I wish I had that much money. I would come in here and make a bid for it.

I just want to register my very strong complaint, Mr. President. It is not the way to do business. It is not a precedent that we are going to be proud of nor that this Senate can look back on and say with any great deal of pride "Look what we did."

I yield the floor.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Arizona. We have chatted informally.

The distinguished Senator from Arizona has made my feeling, my speech, and my vote for me all in about 5 minutes.

It just shocked my conscience that we sell not only that finest airport out at Dulles but the 10,000 acres as well.

The Senator from Arizona and I worked on the FAA budget, the authorization. They are going to start sending us bills. We are going to have to pay bills to the so-called authority, and everything else.

We have other activities out there and other departments of Government and we are going to start getting the bills for those things.

And the irony of it is that the Senator from Arizona and I have been paying 8 percent tax on flights from Phoenix to Washington, DC, back and forth, under the Airport and Airways Trust Fund. We paid our moneys over the past 16 years.

As the distinguished Senator from Arizona knows, under the authorization $11 million was allocated from the trust fund to the Phoenix Airport. We put in another $11 million at St. Louis. In total, we allocated over $1 billion to airports out of the trust fund last year. That was not by passage of any kind of particular bill for National or Dulles or Phoenix. It was just under the general FAA authorization. The FAA is authorized to dispense those moneys according to the need to modernize and improve those airport facilities.

One hundred million dollars has been sent down to Atlanta, $100 million to Dallas-Fort Worth. We had to lengthen the runway 2 years ago down at St. Thomas. The people get cold around this town and are now able to land out there and get a suntan quick. That was just to lengthen it out and build a runway out in the ocean.

But when it comes to the "we the people" facilities here at the National Capital, we want to have what has been called a steal. I hate to use the harsh language. That is what we use in the parlance or real estate. If you can pick up 10,000 acres in the Silicon Valley of Virginia for $47 million, you have a steal, without even an airport. They have it all phrased around and everything else. The phraseology is used with respect to airport use. I am doing it at the airport of Charleston. Every Porche and expensive French car that is sold in this country lands in Charleston. We built a building out there and a big parking place, and we are making money out of it. That is an industry with airport use. You would not have thought of it. I did not think of it.

But you have been in the international airport here and you can put all kinds of industries there. They can pay things off in a couple years and not even have to issue the bonds. With the proviso to take moneys now from the Airport Trust Fund, they would be on easy street, and it will be the darndest deal you have ever seen.

Our problem is, having been a Governor, when the financial pressures hit in Richmond, the ultimate title and everything else is ultimate politics. The political decisions to be made are going to have to be made with a majority of the controlling membership of that particular authority. That is common sense.

So what, in essence, we have done is taken the people's property, not just at a giveaway, but actually put it beyond the control of the people who have a special interest. You cannot fault the State of Virginia. If I were the Governor of Virginia I would be running around these Halls too. I

mean this is the grandest opportunity since John Smith landed at Jamestown. I can tell you that right now. This is a wonderful situation here, and it just should not be allowed. We have not been able to get the attention.

So I hope as to the statement by the distinguished Senator from Arizona because he is listened to and so respected in this particular body, and everyone knows he has no interest one way or the other, other than the best interest of the people of this Nation, that they listen to what the Senator from Arizona has stated. Please, if Senators are disposed to vote from the friendships they make, and you have to help your friends, and I understand that, but if Senators are going to help their friends, remember, in addition to the help you are giving your friends, do not ever come back to us who are interested in the military and talk about toilet seats and coffeepots. With this money, we can buy 60,000 toilet seats, umpteen coffeepots and everything else we are jumping over Cap Weinberger for.

This is waste, fraud, and abuse, starting right here on the floor of the Senate. Everybody should remember that. Do not come around saying, "Look how they wasted this or did not have an alternative bid." Tell them to go to the Trible-Warner rule where you cannot find a bid. We can just put that in all the defense bills, that somehow you cannot find the value under the Trible-Warner rule, and let us put that in for the Pentagon and let them go their merry way and quit fussing at them.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. GOLDWATER. I do not know if the Senator will remember it or not, but I had a small piece of legislation passed here last year, not that it included any money, but eventually it is going to cost money, and it was for the purpose of obtaining some excess hangars at the north end of Dulles so that we could move the wonderful reconstruction process out here from Suitland Parkway, maintain it, enable it to continue work. They said, "Well, how much are you talking about? I said, "Well, I think it is worth maybe $20 million. I will go out and raise the money myself or do my best."

Now I look at the whole doggone thing—$47 million. I did not even get a runway out of it. I just wanted some old empty hangars.

We have the Marriott Hotel out there. How much do you think that Marriott Hotel costs?

Mr. HOLLINGS. I do not know.

Mr. GOLDWATER. If it did not cost at least $30 million, they have a way of doing things I do not know about. We are just being plain—I hate to say this—we are being stupid, and I hope we can get an amendment in here that would put the price where it should be and then we can vote for it and let Virginia enjoy the luxury of having two airports. They can spend some money on it.

Mr. HOLLINGS. I agree with the Senator.

I yield the floor and I thank the Senator.

The PRESIDING OFFICER. The distinguished Senator from Virginia is recognized.

Mr. TRIBLE. Thank you, Mr. President.

AMENDMENT NO. 1767

Mr. TRIBLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. TRIBLE] proposes an amendment numbered 1767. On page 49, strike lines 2-3, and insert in lieu thereof the following:

SEC. 11. (a) The Airports Authority may extend the lease entered into under section 5(a) of this Act for an additional term of 15 years for the sole purpose of continuing to operate the airports under the terms and restrictions established in this Act.

(b) During the period of the lease the Secretary and the Airports Authority may negotiate a contract of sale for the transfer of the properties constituting the Metropolitan Washington Airports. Such properties shall not be sold until the Congress approves legislation implementing the terms of such contract.

(c) Upon approval by the Congress of legislation implementing the terms of such contract—

Mr. TRIBLE. Mr. President, I thank the clerk for reading the amendment.

The amendment is short and very direct in its approach.

We have heard a number of Senators take the floor and talk about a giveaway. We have heard a number of Senators talk about how wrong it was to turn over to Virginia or to an Airports Authority these very valuable properties. It is true that under the terms of this agreement after 35 years of operation of an airport under a lease these properties would go over to the Airports Authority. Under the terms and conditions of this legislation there would be a continuing requirement that these airports be used for airport purposes.

The purpose of this legislation is not to turn these properties over to anyone for any purpose but the operation of airports. And it does not concern me if the Federal Government continues to own these properties, as long as we create the opportunity for these airports to be managed effectively, as long as we create the opportunity for these airports to be expanded, modernized, and enhanced.

Therefore, to meet the concerns expressed by some of my colleagues this amendment protects the Federal interest and ensures the Federal Government will continue to own these properties.

What this amendment says is that these properties will be leased to the Airports Authority for a total period of 50 years, one lease of 35 years and a reward of 15 years during which time they have to be operated as airports pursuant to the terms and conditions and restrictions of this legislation.

During that period of time, the Secretary of Transportation and the Airports Authority may negotiate a contract of sale for the transfer of these properties but such properties will not be sold until Congress approves legislation implementing the terms of such contract. I offer this amendment to meet the concerns of those Senators that are concerned that at some point in 35 years, under the present legislation, these properties will then be turned over lock, stock and barrel to an Airports Authority. It is not my purpose. All I want are quality airports. And I am here to tell you the only way we are going to get first-class jet ports for this region, for this Nation, is to implement this legislation.

So to meet those concerns, this amendment quite simply will reside the title to these important pieces of property in the Federal Government and in the hands of the taxpayers now and forever, unless some future Congress decides that there ought to be an actual transfer of these properties.

This amendment is very straightforward. It satisfies very directly the concerns of my distinguished colleague from South Carolina and it will ensure, as far as I am most importantly concerned, that we can have a first-class airport.

So I offer this amendment to my colleagues and I hope that it would be promptly adopted.

Mr. EXON. Mr. President, as a member of the Commerce, Science, and Transportation Committee, of which the Presiding Officer is a member, of which our distinguished colleague from Arizona is a member, of which our distinguished colleague from South Carolina is a member, and others that have been on an off the floor, I listened with great, great interest to the recent exchange. I want to compliment my good friend and great Senator from the State of Arizona. He stated it well. The Senator from South Carolina has spoken on this previously. We discussed it at great length in the Commerce, Science, and Transportation Committee. I was opposed to bringing that bill out of the committee. I did that somewhat reluctantly because of the high respect that I have for the two Senators from Virginia. So I echo the words of the Senator from South Carolina when he said were he the Senators from Virginia he

would be doing about the same thing with the deal that they are getting.

I simply come back to a very fundamental cause that I think has at least been enhanced by the discussion that we have had here this afternoon.

I am delighted to see the amendment that is about to be offered, as I understand it, by the Senator from Virginia, the manager of this bill. I want to take a look at that. It might be a significant step in the right direction. It still does not address a very "minor" concern that I and others have with regard to the management of the airport, the so-called Airports Authority.

There are all kinds of pros and cons on this issue, but from the very beginning, this Senator from Nebraska asked what I thought was a very legitimate question. If this is such a good deal for everyone, if we are going to develop these airports and have this grand three-airport facility, Baltimore and Washington National, and Dulles, and if this is such a good thing for the Nation's Capital, why do we not have more people on that commission representing the people of the Nation as a whole?

The point has been made over and over again that we have to have a good airport facility in the Nation's Capital. I agree, because most of the people that come in and out of this city do not come by automobile, they do not come by train, they do not come by stagecoach, they come by air.

I think one of the major failures of the piece of legislation is the fact that we are giving control, lock, stock, and barrel to the people that live in Virginia, the people that live in Washington, DC and, to a lesser extent, the people that live in neighboring Baltimore, MD.

Mr. TRIBLE. Will the Senator yield?

Mr. EXON. If I could finish my statement, I would be glad to yield, because you and I have talked about this on many occasions.

It seems to me, Mr. President, that at least at a minimum, if we are starting to make compromises now that the Senator from Virginia has outlined, at least we should raise the number of appointees to that commission by the President of the United States from outside the area here of Washington, DC and Baltimore, MD and Virginia and have three or four, rather than one person appointed by the President.

Mr. TRIBLE. Will the Senator please yield on that point?

Mr. EXON. I yield without losing my right to the floor.

Mr. TRIBLE. We have done that. We have done that. We did that last night, I would tell my colleague. I wish that he had been here to be a part of that process.

Mr. EXON. What did you do last night? I am sorry I was not here also. Is it a secret?

Mr. TRIBLE. No, it was in the RECORD. I do not want to quarrel with my friend, but I want to simply point out that what the Senator now seeks has been accomplished. The Senator has won today without being a part of the process. The Senator from South Dakota offered an amendment, which was accepted, which increased the Federal representation on the board to three individuals. And the Senator just said we should have two or three. You have got three and that was to meet the very legitimate concerns expressed by you and by other Senators from distant points in the country that said, "Look, we have got an interest at stake here and we want a stronger voice." We have given you that stronger voice. We believe that point was well-taken.

And, I must say, I accepted that amendment in large measure because of the persuasion of the Senator from Nebraska. The Senator from Nebraska and I have talked about this matter on several occasions, both in committee and on the floor, and I knew of his strong support for expanding the representation of the board.

The amendment was indeed offered by the Senator from South Dakota and it was accepted by the manager of the bill. So there is broader representation and there is a much stronger voice for those citizens that live outside the beltway, as you and I both have discussed and as you have long felt was most appropriate.

Mr. EXON. I thank my friend very much for enlightening me on what I think is a very important matter. If I understand it right, then, we have come back to having three people appointed by the President. We did not expand the representation or decrease the representation from the District or Virginia or Maryland?

Mr. TRIBLE. That is correct. As you will recall, the Senate voted to table an amendment of Senator PRESSLER of South Dakota that would have changed the composition of the board across the board. But what we have agreed to do, indeed, what we have voted to do, was increase the representation from beyond the Washington metropolitan area and there are now three representatives on the board.

So the composition of the board is as follows: We would have five Virginians, we would have three folks from the District of Columbia, two from Maryland, and three from beyond the beltway. We would have, in effect, a 13——

Mr. EXON. Fourteen, total.

Mr. TRIBLE. I think it is 13, but my math never was very good.

Mr. EXON. Five from Virginia, is that right?

Mr TRIBLE. Five, three, three, and two.

Mr. EXON. Two from where?

Mr. TRIBLE. Two from Maryland.

Mr. EXON. Two from Maryland.

Mr. TRIBLE. I believe that adds up to 13. I will yield to my colleague, whose math, I am sure, is much more precise than mine.

Mr. EXON. Evidently, if I could clarify this a little further, this is essentially the amendment the Senator from Nebraska offered in the Commerce Committee, is that right?

Mr. TRIBLE. There is no question about it. The Senator from Nebraska was the person who advanced this position, and argued it most persuasively very early on.

Mr. EXON. I am very delighted that they finally came to the Exon position without me even knowing about it.

Mr. TRIBLE. The reason and persuasion of the good Senator from Nebraska carried the day even in his absence.

Mr. EXON. I think the Senator from Virginia is being a little bit facetious in that regard. I think probably it would be more accurate to state that they finally came around to the original position of the Senator from Nebraska because they wanted to quell some of the rising tide of opposition to many other things that are wrong with this bill. May I ask this question?

Why at this late date was this agreed to? I think it is very interesting. I think the Senator knows that the first time I ever heard about this was when I was called into a meeting with the former Governor of the Senator's State, whom I had the privilege of serving with. I brought it up then. I brought it up time and time again. I asked for a vote on that in the Commerce Committee. I think we got three or four votes. I have been talking with the good Senator from Virginia and others for a long, long time. I got absolutely nowhere.

I cosponsored the amendment offered by the Senator from South Dakota, which I believe, if I remember my arithmetic correctly, have five representatives to be appointed by the President of the United States, which was different from what I proposed in committee.

I am delighted to know that they finally came around to making this concession but I suggest it was not because of the perseverance or the great influence or the insight of the Senator from Nebraska. I suggest the facts of the matter are that it come to that position merely because it was felt that otherwise the bill might not pass in the final analysis. But that is just my suspicious nature. There is probably no basis whatsoever for my thoughts.

But I thank my friend from Virginia for explaining it to me. I am delighted

to know that the Exon amendment has become part of the bill.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, with respect to the distinguished Senator's amendment, it replaces a proposed amendment by the Senator from South Carolina. I am not a cosponsor of the amendment because I wanted to make clear I am under the duress of commonsense. I cannot carry any amendment. I guess I had my high point with respect to the cost of the transfer of these airports. I had all the authorities, I say to the Senator from Arizona. I had Peter Grace, Richard Nixon, the Taxpayers Union, the British investment bankers—I had more people offering high prices when they were saying they could not get an offer or market value. I was prepared to terminate as really it should be done at the end of the 35 years. Of course the Congress is here. The people are here. We can still negotiate further with the authority, or with the State of Virginia, or whatever.

I wanted to vitiate my kind of fee simple title ownership to the State of Virginia. I have been persuaded, though, that the best result I am going to get is the amendment of the Senator from Virginia, Senator TRIBLE. So we have compromised on 15 years, which in essence gives him a 50-year, rather than a 35-year, lease but it does say at the end of that time the title does remain with the Federal Government. It does not protect anything for the Federal Government because if practically is out of any dealings with the airport during that 50-year period. Of course, any time they get a friendly Secretary of Transportation, as might well occur under this particular Secretary, they can renegotiate the contract of sale. But it would have to come back to the Congress.

That is about the best I can do. I accede to it because my bottomline is that I really resist the bill in its entirety. I think it is not in the public interest. I think what would be in the public interest would be to designate the people's airports at National and Dulles as just that, people's and public airports to comply under the law.

The Senator knows there is a provision under the law that the people's airports are not the people's airports. Airports eligible for moneys from the airport and airways trust fund are defined as public airports, which are State entities and authorities, which has been interpreted to disallow any trust fund moneys for National and Dulles.

What you have in reality is taxation without representation. We have all of these Latin sayings around this hallowed Hall, and how we fought to do away with taxation without representation. But that is what we have with respect to Dulles and National. That is the fundamental involved here, and the difficulty.

We have a law interpreted. I am confident that with the good respect of an attorney I could take it up under the equal protection clause of the 14th amendment, and say I am not getting for my money the protection as other citizens of the United States in a similar situation. I would knock that section out, and then the Federal Aviation Administration under the law would be able to go ahead, give the $250 million, that the FAA says is needed. We could just move on, and would not have all the lawyers and all the delays, all the authorities and political appointments and anything else.

No one has ever complained about Admiral Engen, the Administrator of FAA, about his operation, and his efficiency thereof. We are all talking about public improvements—the midfield terminal at Dulles, the parking facilities, and the modernization of the terminal at National. We could move right ahead with those particular things at this moment, if we did away with that fanciful quirk in the law that defines these airports as not being public airports. The people's airports of National and Dulles are not people's airports, and they are not public.

Whoever heard of that? But that is why we are suffering here. That is why I have to accept this amendment to try to hold a little bit of interest in the people of the United States in these facilities.

Mr. TRIBLE. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER (Mr. DENTON). Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Virginia.

The amendment (No. 1767) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TRIBLE. Mr. President, it is the intention of the leadership to offer soon a unanimous-consent agreement. Awaiting the arrival of our distinguished leader, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATIONS TO AMENDMENT NO. 1740 AND AMENDMENT NO. 1742

Mr. TRIBLE. Mr. President, I ask unanimous consent that amendment No. 1740, previously adopted by the Senate, be modified by striking "seven" and inserting in lieu thereof "nine".

That amendment No. 1742, previously adopted by the Senate, be modified by striking the amendment made to lines 11-12 on page 36 and inserting in lieu thereof the following:

Lines 10-12, page 36, strike:

"The President shall make initial and subsequent appointments for a six-year term, with such" and insert in lieu thereof the following: "The President shall make initial appointments as follows: One member for six-year term, one member for a four-year term, and one member for a two-year term; subsequent appointments by the President shall be for a period of six years, with all such".

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1768

Mr. TRIBLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. TRIBLE] proposes an amendment numbered 1768.

On page 36, line 14, strike "seven" and insert in lieu thereof "nine".

Mr. TRIBLE. Mr. President, very simply, this is a technical change to make the language heretofore adopted to conform with the remainder of the bill. It has been reviewed by my distinguished colleague from Maryland. I move its adoption.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1768) was agreed to.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SARBANES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I want to commend the activities here on the floor of the Senator from Virginia [Mr. TRIBLE] and the Senator from Maryland [Mr. SARBANES]. Theirs has been remarkable work. I see Senator MATHIAS and if I had not seen his presence I would have added his name also. Also, Senator WARNER of Virginia. These four Senators have a deep interest in this measure as they have expressed over these last days—9 of them, to be specific. They have grappled with a very tough issue. We get closer and closer to resolving it. It is a tough one for all of us. It is not just a provincial issue but a national issue. It is a tough issue and I marvel as they

work toward the resolution of it. I thank them sincerely as I have seen their activities as floor managers on these days.

With that, after consulting with the Democratic leader, I believe we are ready to propose a unanimous-consent request.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airports bill, the following amendments be the only first-degree amendments in order, with the exception of the committee-reported substitute, and they be limited to 30 minutes to be equally divided in the usual form: Senator MATHIAS' amendment on price; Senator SARBANES' amendment to limit cross-subsidization of National and Dulles; Senator SARBANES' amendment dealing with restriction on Dulles land development; Senator SARBANES' amendment on membership of the authority.

Further, I ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order if so submitted to the Senate, and no motions to recommit with instructions be in order, and the agreement be in the usual form.

Finally, I ask unanimous consent that final passage occur no later than 12 noon on Friday, April 11, and that paragraph 4 of rule 12 be waived.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. GOLDWATER. Mr. President, reserving the right to object, I want to ask a question. Does the unanimous-consent request of the Senator preclude the introduction of any other amendments than the amendments he has mentioned?

Mr. SIMPSON. Mr. President, that is correct.

Mr. GOLDWATER. I will have to oppose that, Mr. President.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I intend to repropose and propound the time agreement on S. 1017. Even though it was not accepted, it was discussed.

For the information of Senators, I indicate preliminarily that we will come in at 9 a.m. tomorrow and get back on the bill by 9:30.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airports bill, the following first-degree amendments be the only amendments in order, with the exception of the committee-reported substitute and that they be limited to 20 minutes, to be equally divided in the usual form: A Mathias amendment on price; a Sarbanes amendment to limit cross-subsidization of National and Dulles Airports; a Sarbanes amendment dealing with restriction on Dulles land development; a Sarbanes amendment on membership of the authority; a Goldwater amendment requiring bidding; an Exon amendment on Airport Authority composition.

I further ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order if such be submitted to the Senate; that no motion to recommit with instructions be in order; and that the agreement be in the usual form.

I ask unanimous consent that passage occur no later than 12 noon on Friday, April 11, and that paragraph 4 of rule XII be waived.

Mr. BYRD. Mr. President, reserving the right to object. Mr. President, is the Senate presently working on the committee reported substitute?

The PRESIDING OFFICER. It is.

Mr. BYRD. Mr. President, is it the intention of the distinguished assistant Republican leader to also vitiate the cloture votes, if the agreement is gotten?

Mr. SIMPSON. Mr. President, it is the intention of the majority leader to then ask, if this agreement is accepted, unanimous consent that the two cloture votes to occur tomorrow be vitiated.

Mr. BYRD. Mr. President, as I have listened to the distinguished Senator, it appears that there are six or seven amendments?

Mr. SARBANES. Six.

Mr. BYRD. Six. Is it believed that some of these amendments will not require rollcall votes? The reason I am asking is because I am afraid that the Senate is going to run out of time, and while the amendments would still be in order we would probably have no time left if there are many rollcalls required on the adoption of the amendments.

Mr. SIMPSON. Mr. President, I would respond to the Democratic leader with the indication that the floor managers seem to indicate that there might be time yielded back on certain of the amendments. They may not all require a rollcall vote. I think that is quite possible. We return to the bill at 9:30 a.m. With some rather crisp voting pattern we might make it. That augurs the "Friday syndrome" may take place.

Mr. SARBANES. I might observe that perhaps all of the amendments might not be offered, and of course we have cut the time down to 20 minutes and even that time might not be used. The assistant majority leader might want to consider coming in somewhat earlier and going on the bill somewhat earlier. I do not know how that works with the schedule. We are scheduled to get on the bill at 9:30. You might want to get on it a little earlier.

Mr. TRIBLE. Will the assistant majority leader yield?

Mr. SIMPSON. I certainly will be happy to yield.

Mr. TRIBLE. I would suggest the possibility that perhaps we come in at 8:30 and begin the bill at 9. I think that would give us ample opportunity to dispose of all these amendments and all of our colleagues would have ample opportunity to debate these issues.

Mr. SIMPSON. Mr. President, I think there will be yielding back of time. There could also be the opportunity to shorten the time on the rollcall voting procedure or even to stack votes on those amendments with a short procedure before noon in accordance with the agreement. I see flexibility there that could be had, and we would come in at 8:30 and be back on the bill at 9 o'clock.

Mr. BYRD. Mr. President, I am afraid that when tomorrow comes and the Senate reaches the hour of 12 noon, it would be quite possible there would be amendments remaining on which there would be no time for debate. I think there would be an objection to stacking the votes also.

TIME LIMITATION AGREEMENT—S. 1017

Mr. SIMPSON. Mr. President, after conferring with the principals, the floor managers, Senator SARBANES, Senator TRIBLE, and their helpful counsel; the Democratic leader and the majority leader; Senator MATHIAS; Senator CRANSTON; and others, I believe that we have resolved this matter and hope that that is the case. We will then begin our proceedings tomorrow at 9 a.m., going to this measure at 9:30 a.m.

I will then repropound the unanimous-consent request and ask unanimous consent that during the remainder of the Senate's consideration of S. 1017, the regional airport bill, the following first-degree amendments be the only amendments in order, with the exception of the committee-reported substitute, and that they be limited to 15 minutes to be equally divided in the usual form.

The Mathias amendment on price; Sarbanes amendment to limit cross-subsidization of National and Dulles; Sarbanes amendment dealing with restriction on Dulles land development; Sarbanes amendment on membership of the authority; Goldwater amendment requiring bidding; and Exon amendment on Airport Authority composition.

Further, I ask unanimous consent that there be 10 minutes on any debatable motions, appeals, or points of order, if so submitted to the Senate, and no motions to recommit with instructions be in order and the agreement be in the usual form.

Finally, I ask unanimous consent that final passage occur no later than 12 noon on Friday, April 11, and paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I will have to object.

Mr. President, would the distinguished assistant Republican leader be willing to add to the request a little time for debate on the bill overall?

Mr. SIMPSON. Mr. President, I think that is a very appropriate request, and I submit that the propounded unanimous consent agreement reflect 20 minutes of debate on the bill to be equally divided under the control of Senator TRIBLE and Senator SARBANES.

Mr. BYRD. Mr. President, I remove my reservation. I thank the distinguished Senator.

The PRESIDING OFFICER. Without ojection, it is so ordered.

The text of the agreement follows:

Ordered, That during the remainder of the Senate's consideration of S. 1017, the Regional Airport Bill, the following first degree amendments be the only amendments in order, with the exception of the committee reported substitute, and that they be limited to 15 minutes each, to be equally divided in the usual form:

Mathias amendemnt on price;

Sarbanes amendment to limit cross-subsidization of National and Dulles;

Sarbanes amendement dealing with restriction on Dulles land development;

Sarbanes amendment on membership of the Authority;

Exon amendment on composition of the Authority;

Goldwater amendment on competitive bidding.

Ordered further, That there be 10 minutes debate on any debatable motions, appeals, or points of order if so submitted to the Senate, and that no motions to recommit with instructions be in order, and that the agreement be in the usual form.

Ordered further, That time for debate on the bill be limited to 20 minutes, to be equally divided and controlled by the Senator from Virginia [Mr. TRIBLE] and the Senator from Maryland [Mr. SARBANES].

Ordered further, That final passage occur no later than 12:00 noon on Friday, April 11, 1986.

ORDER VITIATING CLOTURE VOTES ON TOMORROW

Mr. SIMPSON. Mr. President, I then ask unanimous consent that the two cloture votes to occur tomorrow be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, just so there will not be any misunderstanding, the vote on final passage is still intended to occur at 12 noon, even though the additional 20 minutes were added for debate on the bill, am I correct?

Mr. SIMPSON. Mr. President, the Democratic leader is correct.

Mr. BYRD. I thank the distinguished Senator.

Mr. SIMPSON. Mr. President, I would then announce that there will be no further rollcall votes tonight and also wish to inform Senators that rollcall votes will occur as early as 9:45 tomorrow morning. I thank all Senators, especially those who have managed the bill. It is most appreciated by the leadership.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:23 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one if its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2895. A communication from the Assistant Attorney General of the United States transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2896. A communication from the Solicitor of the Commission on Civil Rights transmitting, pursuant to law, the Commission's Government in the Sunshine Report for 1985; to the Committee on Governmental Affairs.

EC-2897. A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1985; to the Committee on Governmental Affairs.

EC-2898. A communication from the Director of Administration for the NLRB transmitting, pursuant to law, the Board's report on two new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-2899. A communication from the Acting Chairman of the U.S. Merit Systems Protection Board transmitting, pursuant to law, the Board's 1985 Annual Report; to the Committee on Governmental Affairs.

EC-2900. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to amend the Civil Service Retirement System to reduce its costs to the Government; to the Committee on Governmental Affairs.

EC-2901. A communication from the Executive Assistant to the Personnel Appeals Board transmitting, pursuant to law, the Board's annual report for fiscal year 1985; to the Committee on Governmental Affairs.

EC-2902. A communication from the General Counsel of the Department of Justice transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2903. A communication from the Deputy Administrator of Veterans Affairs transmitting, pursuant to law, a report on a new computer matching program of Privacy Act records systems; to the Committee on Governmental Affairs.

EC-2904. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, the Department's first annual report on competition in contracting; to the Committee on Governmental Affairs.

EC-2905. A communication from the Administrator of the Small Business Administration transmitting, pursuant to law, the annual report on competition in contracting; to the Committee on Governmental Affairs.

EC-2906. A communication from the Acting Chairman of the Federal Trade Commission transmitting, pursuant to law, the Commission's 1985 Government in the Sunshine Report; to the Committee on Governmental Affairs.

EC-2907. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the Board's Government in the Sunshine Report for 1985; to the Committee on Governmental Affairs.

EC-2908. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments:

S. 1724. A bill to authorize the Cherokee Nation of Oklahoma to design and construct

hydroelectric power facilities at W.D. Mayo Lock and Dam (Rept. No. 99-279).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 352. A resolution relating to the commemoration of the bicentennial of the Senate of the United States.

By Mr. THURMOND, from the Committee on the Judiciary, with amendments and with a preamble:

S.J. Res. 188. Joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title and an amended preamble:

S.J. Res. 199. Joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 281. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

S.J. Res. 300. Joint resolution to recognize and honor 350 years of service of the National Guard.

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month."

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week."

S.J. Res. 307. Joint resolution to designate the week of April 18 through April 27, 1986 as "National Carpet and Floorcovering Week."

S.J. Res. 309. Joint resolution to designate the week of June 1, 1986 through June 7, 1986, as "National Intelligence Community Week."

S.J. Res. 315. Joint resolution designating May 1986 as "Older Americans Month."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Eric G. Bruggink, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years;

Marian Blank Horn, of Maryland, to be a judge of the U.S. Claims Court for a term of 15 years;

Ralph D. Morgan, of Indiana, to the U.S. marshall, for the southern district of Indiana for the term of 4 years;

John R. Kendall, of Michigan, to be U.S. marshall for the western district of Michigan for the term of 4 years;

Emery R. Jordan, of Maine, to be U.S. marshall for the district of Maine for the term of 4 years;

K. William O'Connor, of Virginia, to the U.S. attorney for the district of Guam and concurrently U.S. attorney for the district of the Northern Mariana Islands for the term of 4 years;

Donald W. Peterson, of Missouri, to be Deputy Commissioner of Patents and Trademarks.

By Mr. LUGAR, from the Committee on Foreign Relations:

H. Allen Holmes, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State.

Otto J. Reich, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Venezuela.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Otto J. Reich.

Post: Ambassador to Venezuela.

Contributions, amount, date, donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses, names, Adrienne Reich, none; Natalie Reich, none.

4. Parents, names: Walter Reich, none; Grace Reich, none.

5. Grandparents, names, Juan Fletites/ Margarita Fleites, deceased/deceased; Otto Reich/ Elsa Reich, deceased/deceased.

6. Brothers and spouses, names, Ronald Reich/Donnalyn Reich, none/none.

7. Sisters and spouses, names: none.

Ronald S. Lauder, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Austria:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Ronald S. Lauder.

Post: Ambassador to Austria.

Nominated: Feburay 24, 1986.

Contributions, amount, date, and donee:

1. Self: See schedule 1, attached.

2. Spouse: See schedule 2, attached.

3. Children and spouses, names: Jane and Aerin Lauder; see schedule 3, attached.

4. Parents, Mr. and Mrs. Joseph H. (Mrs. Estee) Lauder; see schedule, attached.

5. Grandparents, names: Deceased (Max and Rose Mentzer), (William and Rose Lauder).

6. Brothers and spouses, names: Mr. and Mrs. Leonard A. (Mrs. Evelyn) Lauder; see schedule 5, attached.

7. Sisters and spouses, names: none.

Henry F. Schickling, of Pennsylvania, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

Carlos Salman, of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SCHEDULE 1—RONALD S. LAUDER

Date, campaign, amount, for:

January 1, 1981, Republican National Committee, $600.

January 1, 1981, Republican National Committee, $3,000.80

February 25, 1981, Republican National Committee, $600.

March 3, 1981, Republican National Committee, $399.20.

June 11, 1981, National Republican Senatorial Committee, $10,000.

July 29, 1981, Wallop Senate Drive, Inc., $500 primary.

August 7, 1981, Committee to Send Schaus to the House, $100.

March 3, 1982, Prescott Bush for U.S. Senate, $250.

June 19, 1982, 1982 Victory Fund, $2,500, general.

June 22, 1982, Committee for Congressman Bill Green, $500, general.

June 23, 1982, Van B. Poole for U.S. Senate, $500, primary.

June 30, 1982, Evans 1982 Committee, $1,000, primary.

July 30, 1982, Friends of Fossel for Congress, $1,000, primary.

August 5, 1982 Cissy Baker Committee, $1,000 primary.

August 23, 1982 Bush for U.S. Senate Committee, $250.

September 2, 1982 Costello to Congress, $1,000, primary.

September 8, 1982, Seymour/Senate Campaign Committee, $1,000, primary.

September 23, 1982, National Conservative Political Action Committee, $500, primary.

September 30, 1982, Costello to Congress, $1,000, general.

October 4, 1982, Cissy Baker Committee, $1,000, general.

October 12, 1982, Pete Wilson for U.S. Senate, $1,000, general.

October 22, 1982, Friends of Fossel for Congress, $100, general.

October 25, 1982, Campaign America, $1,000, primary.

October 27, 1982, Michel Congress Committee, $500, general.

February 25, 1983, Friends of Senator D'Amato, $1,000, primary.

March 16, 1983, Friends of Senator D'Amato, $1,000, general.

April 6, 1983, Republican Senate-House Dinner Committee, $1,800, primary.

May 10, 1983, Vander Jagt Campaign Committee, $200.

June 6, 1983, National Republican Congressional Committee, $900, primary.

June 9, 1983, Fund to Keep America No. 1, $2,500, primary.

June 29, 1983, National Republican Senatorial Committee, $5,000, primary.

August 10, 1983, National Republican Senatorial Committee, $5,000, primary.

September 8, 1983, Republican Majority Fund, $5,000, primary.

October 21, 1983, Jepsen '84 Committee Amendment, $500, primary.

November 8, 1983, Citizens for Percy—1984, $500, primary.

January 6, 1984, Elise duPont '84 Committee, $500, primary.

January 24, 1984, Republican National Finance Committee, $10,000, primary.

March 23, 1984, Elise DuPont 1984 Committee, $150.

March 23, 1984, Citizens for Dave Smick, $1,000.

April 17, 1984, Vander Jagt Campaign, $100.

April 27, 1984, Committee to Reelect Congressman Carney, $1,000, primary.

June 29, 1984, National Republican Senatorial Committee, $10,000,* primary.

July 31, 1984, Republican National Finance Committee, $1,000, primary.

September 10, 1984, Republican Majority Fund, $2,000, primary.

November 7, 1984, Congressman Bill Green Committee, $250.

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*Mr. Lauder has requested a refund of $2,000 of the contribution.

November 20, 1984, Westchester Republican Chairman's Club, $1,000, primary.
January 2, 1985, Republican National Finance Committee, $1,850.
January 4, 1985, National Republican Senatorial Committee, $800.
January 14, 1985, Republican National Finance Committee, $1,000.
March 11, 1985, Republican National Finance Committee, $10,000.
April 4, 1985, Republican Congressional Leadership, $2,500.
August 8, 1985, Holtzman for Congress, $100.
August 12, 1985, Republican Senatorial Inner Circle, $1,000.
October 15, 1985, Republican Congressional Boosters, $2,000.
October 15, 1985, Kemp Salute Dinner, $1,000.
October 15, 1985, Paul Arneson (Symms for Senate), $750.
Undated, John LeBoutillier for Congress Debt Retirement, $250.

SCHEDULE 2—MRS. RONALD S. (JOCAROLE) LAUDER

Date, campaign, amount, for:
June 19, 1982, 1982 Victory Fund, $2,500, primary.
September 30, 1982, Costello to Congress, $1,000, general.
October 4, 1982, Cissy Baker Committee, $1,000, general.
October 25, 1982, Campaign America, $1,000, primary.
December 31, 1982, Seymour/Senate Campaign Committee, $709, primary.
September 8, 1983, Republican Majority Fund, $5,000, primary.
November 1, 1984, 500 Club, $500, primary.
October 15, 1985, Kemp Salute Dinner, $1,000.

SCHEDULE 3—JANE AND AERIN LAUDER

Date, campaign, amount, for:
December 31, 1982, Seymour/Senate Campaign (JL) Committee, $709, primary.
December 31, 1982, Seymour/Senate Campaign (AL) Committee, $709, primary.

SCHEDULE 4—MR. AND MRS. JOSEPH H. (MRS. ESTEE) LAUDER

All contributions not otherwise designated were jointly made.
Date, campaign, amount, for:
January 6, 1981, Republican National Committee, $1,200.
January 6, 1981, Republican National Committee, $1,600.
January 20, 1981, Citizens for Buckley, Inc., $500, general.
February 7, 1981, Republican National Committee, $399.
March 1981, Norman Lent, $125.
March 21, 1981, 1981 Republican Senate House Dinner, $1,000, primary.
March 27, 1981, 1981 Republican Senate House Dinner, $10,000, primary.
March 27, 1981, National Republican Congressional Boosters Club (JHL), $1,500, primary.
March 27, 1981, National Republican Congressional Boosters Club (EL), $1,500, primary.
March 27, 1981, National Republican Senatorial Committee, $5,000, primary.
March 27, 1981, National Republican Congressional Committee (EL), $2,500, primary.
March 27, 1981, National Republican Congressional Committee (JHL), $2,500, primary.
May 5, 1981, Citizens for Buckley, $300.
May 21, 1981, Citizens for Madigan, $250.
June 22, 1981, People for Jackson, $500.
November 12, 1981, Friends of Senator D'Amato, $1,000, primary.
December 29, 1981, Moynihan Committee Inc. (EL), $1,000, primary.
December 29, 1981, Moynihan Committee Inc. (EL), $1,000, general.
December 29, 1981, Moynihan Committee Inc. (JHL), $1,000, primary.
December 29, 1981, Moynihan Committee Inc. (JHL), $1,000, general.
March 19, 1982, Republican Congressional Boosters Club, $1,000, primary.
October 4, 1982, Cissy Baker Committee (EL), $1,000, general.
October 4, 1982, Republican Congressional Boosters Club, $1,000.
October 4, 1982, Cissy Baker Committee (JHL), $1,000, general.
April 15, 1983, Republican Congressional Boosters Club (EL), $1,000, primary.
November 2, 1983, Friends of John Rockefeller (EL), $1,000.
February 27, 1984, Citizens for Percy 1984 (EL), $100.
February 27, 1984, Citizens for Percy 1984 (EL), $100.
March 2, 1984, Republican Congressional Boosters Club (EL), $1,000, primary.
March 4, 1984, Goldwater for Senate Committee (EL), $500, primary.
March 6, 1984, Salute to Victory II Dinner Committee (EL), $5,000, primary.
May 2, 1984, National Republican Congressional Committee (EL), $7,500, primary.
May 14, 1984, National Republican Congressional Committee (EL), $700, primary.
June 18, 1984, Inner Circle/New York Reception (EL), $1,000, primary.
August 13, 1984, Reelect Senator Pell Committee (EL), $250.
August 24, 1984, Victory 1984 Committee (EL), $1,000, primary.
September 20, 1984, Larry Pressler for U.S. Senate (EL), $500, general.
October 15, 1984, Republicans Abroad (EL), $150.
October 22, 1984, Friends of Jay Rockefeller (EL), $200.
October 22, 1984, Committee for Congressman Bill Green (EL), $250.
October 29, 1984, Elise du Pont 1984 Campaign (EL), $1,000.
February 18, 1985, Friends of Senator D'Amato (EL), $500.
February 28, 1985, The Republican Congressional Boosters (EL), $1,000.
March 9, 1985, Young Republican Club (EL), $1,000.
March 10, 1985, The President's Dinner (EL), $15,000.
May 1, 1985, The President's Dinner (EL), $1,500.
May 16, 1985, Committee for Responsive Government (EL), $5,000.
August 9, 1985, Republican Congressional Booster Club (EL), $1,000.

SCHEDULE 5—MR. AND MRS. LEONARD A. (MRS. EVELYN) LAUDER

All contributions not otherwise designated were jointly made.
Date, campaign, amount, for:
March 23, 1981, Lent for Congress, $125.
May 6, 1981, Friends of Dick Lugar, $1,000, primary.
July 16, 1981, People for Jackson, $500, primary.
July 28, 1981, John Breaux Re-election Committee, $250.
October 14, 1981, Moynihan Committee Inc. (LAL), $1,000, primary.
December 29, 1981, Moynihan Committee Inc. (EL), $1,000, primary.
December 29, 1981, Moynihan Committee Inc. (EL), $1,000, general.
December 29, 1981, Moynihan Committee Inc. (LAL), $1,000, general.
January 13, 1982, Lent for Congress Committee, $150.
April 1982, Congressman Norman Lent, $200.
April 2, 1982, Re-elect Congressman Chuck Schumer, $1,000, primary.
May 14, 1982, Cissy Baker Committee, $500, primary.
June 9, 1982, Fenwick for Senate Committee, $250.
September 21, 1982, Yates for Congress Committee, $200.
September 28, 1982, Friends of Carol Greitzer, $150.
September 30, 1982, Costello to Congress, $1,000, general.
October 4, 1982, Cissy Baker Committee, $1,000, general.
October 12, 1982, Fenwick for Senate Committee, $500, general.
October 25, 1982, Campaign America (EL), $1,000, primary.
October 25, 1982, Campaign America (LAL), $1,000, primary.
May 19, 1983, Lent for Congress, $200.
November 8, 1983, Citizens for Percy—1984, $1,000, primary.
November 23, 1983, People for Boschwitz—1984, $1,000.
December 14, 1983, Friends of Senator D'Amato, $1,000, primary.
March 1984, Congressman Norman Lent, $200.
March 12, 1984, Bill Bradley for U.S. Senate 1984, $1,000, primary.
June 1984, Chris Dodd for Senate, $2,000.
June 5, 1984, Committee for Congressman Bill Green, $1,000, primary.
June 18, 1984, Inner Circle/New York Reception, $1,000, primary.
August 1984, Benbow for Congress, $250.
August 24, 1984, Victory 1984 Committee, $1,000, primary.
September 27, 1984, Bill Bradley for U.S. Senate 1984, $1,000, general.
October 15, 1984, Friends of Senator Carl Levin, $500, general.
October 22, 1984, Teicher for Congress, $75.
October 30, 1984, Re-elect Thurmond Committee, $1,000, general.
December 26, 1984, Friends of D'Amato, $1,000, primary.
January 10, 1985, Re-elect Packwood Committee, $250.
February 1985, Congressman Norman Lent, $200.
April 1985, Congressman Les Aspin Committee, $250.
June 19, 1985, John J. Duncan Campaign 1984, $500.
June 20, 1985, The Chicago Campaign Committee (D. Rostenkowski), $500.
July 30, 1985, Friends of Carol Greitzer, $100.

By Mr. DURENBERGER, from the Select Committee on Intelligence:
Robert M. Gates, of Virginia, to be Deputy Director of Central Intelligence.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON (for himself, Mrs. HAWKINS, Mr. MCCLURE, Mr. HEFLIN, Mr. SYMMS, Mr. ABDNOR, Mr. GRASS-

LEY, Mr. WALLOP, Mr. DECONCINI, and Mr. SIMPSON):

S. 2280. A bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse effect of the program on beef, pork, and lamb producers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. TRIBLE (for himself, Mr. LAXALT, Mr. DENTON, Mr. ARMSTRONG, and Mr. DIXON):

S. 2281. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

By Mr. DOLE (for Mrs. HAWKINS):

S. 2282. A bill to establish a national advanced technician training program utilizing the Nation's eligible colleges to expand and improve the supply of technicians required by industry and national security in strategic, advanced, and emerging technology in order to increase the productivity of the Nation's industries, to contribute to the self-sufficiency of the United States in emerging technology, and to improve the competitiveness of the United States in international trade, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 2283. A bill for the relief of Marivic Neri and Miyoshi Neri; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. BOREN, Mrs. HAWKINS, Mr. HECHT, Mr. SYMMS, Mr. HEFLIN, Mr. MCCLURE, Mr. ANDREWS, Mr. GORE, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. DENTON, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. DOLE, Mr. SIMPSON, Mr. LAXALT, Mr. DOMENICI, Mr. BAUCUS, Mr. QUAYLE, and Mr. BUMPERS):

S. 2284. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MCCLURE (by request):

S. 2285. A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 2286. A bill to prohibit the sale, donation, or other transfer of STINGER antiaircraft missiles to democratic resistence forces in Afghanistan and Angola unless certain conditions are met; to the Committee on Foreign Relations.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 2287. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg Harbor River in the State of New Jersey for potential addition to the wild and scenic rivers system; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR (for himself, Mr. NICKLES, Mr. SYMMS, Mr. MCCLURE, Mr. ANDREWS, Mr. BOREN, Mr. HECHT, Mr. GORE, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. HEFLIN, Mr. DENTON, Mr. ARMSTRONG, Mrs. HAWKINS, and Mrs. KASSEBAUM):

S. Res. 379. A resolution to express the sense of the Senate that the Secretary of Agriculture should take certain actions to minimize the adverse effect of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAUTENBERG (for himself and Mr. WEICKER):

S. Res. 380. A resolution expressing the sense of the Senate of the United States of America that the United States Government should not undertake any efforts to interfere with the free market by encouraging OPEC or its members to adopt production controls to artificially raise oil prices; to the Committee on Foreign Relations.

By Mr. DECONCINI:

S. Res. 381. A resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON (for himself, Mrs. HAWKINS, Mr. MCCLURE, Mr. HEFLIN, Mr. SYMMS, Mr. ABDNOR, Mr. GRASSLEY, Mr. WALLOP, Mr. DECONCINI, and Mr. SIMPSON):

S. 2280. A bill to amend the Agricultural Act of 1949 to suspend the application of the milk production termination program in order to minimize the adverse effect of the program on beef, pork, and lamb producers; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. WILSON and the text of the legislation appear earlier in today's RECORD.)

By Mr. TRIBLE (for himself, Mr. LAXALT, Mr. DENTON, Mr. ARMSTRONG, and Mr. DIXON):

S. 2281. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

COMPUTER FRAUD AND ABUSE ACT

Mr. TRIBLE. Mr. President, I am introducing today a revised version of legislation I sponsored last year to combat computer crime. I am especially pleased that the chairman of the Criminal Law Subcommittee, Senator LAXALT, has joined me in sponsoring this bill, along with Senators DENTON, ARMSTRONG, and DIXON. Congressman HUGHES is introducing identical legislation today in the House of Representatives.

This new bill will supersede S. 440, the computer crime legislation I introduced in February of 1985. That measure was the subject of a hearing before the Criminal Law Subcommittee on October 30, 1985. In the months since, I have worked closely with Senator LAXALT to meet the concerns raised at that hearing, and I believe that this new bill will adequately address the computer crime problems facing the Federal Government, federally insured financial institutions, and the private sector.

In general, this measure will expand the protections against computer crime currently enjoyed by the Federal Government. Likewise, new offenses will be created for theft or intentional destruction of computer data when the offense is committed on an interstate basis, or when the crime is committed against computers belonging to federally insured financial institutions. Trafficking in computer passwords by those who intend to defraud the owner of the subject computer will also be proscribed.

The advent of widespread computer use has brought a great many benefits to the Nation. This Congress must act to ensure that those benefits are protected against computer criminals. I believe this legislation will do so, and I urge my colleagues to join Senator LAXALT and me in cosponsoring this bill.

I also ask unanimous consent that detailed analysis of the legislation and a copy of the bill itself appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Computer Fraud and Abuse Act of 1986".

SEC. 2. SECTION 1030 AMENDMENTS.

(a) MODIFICATION OF DEFINITION OF FINANCIAL INSTITUTION.—Section 1030(a)(2) of title 18, United States Code, amended—

(1) by striking out "knowingly" and inserting "intentionally" in lieu thereof; and

(3) by striking out "as such terms are defined in the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.),".

(b) MODIFICATION OF EXISTING GOVERNMENT COMPUTERS OFFENSE.—Section 1030(a)(3) of title 18, United States Code, is amended—

(1) by striking out "knowingly" and inserting "intentionally" in lieu thereof;

(2) by striking out ", or having accessed" and all that follows through "prevents authorized use of, such computer";

(3) by striking out "It is not an offense" and all that follows through "use of the computer." and

(4) by striking out "if such computer is operated for or on behalf of the Government

of the United States and such conduct affects such operation" and inserting in lieu thereof "if such computer is exclusively for the use of the Government of the United States or, in the case of a computer not exclusively for such use, if such computer is used by or for the Government of the United States and such conduct affects such use".

(c) MODIFICATION OF AUTHORIZED ACCESS ASPECT OF OFFENSES.—Paragraphs (1) and (2) of section 1030(a) of title 18, United States Code, are each amended by striking out ", or having accessed" and all that follows through "does not extend" and inserting "or exceeds authorized access" in lieu thereof.

(d) NEW OFFENSES.—Section 1030(a) of title 18, United States Code, is amended by inserting after paragraph (3) the following:

"(4) knowingly and with intent to defraud, accesses a Federal interest computer without authorization, or exceeds authorized access, and by means of such conduct furthers the intended fraud and obtains anything of value, unless the object of the fraud and the thing obtained consists only of the use of the computer;

"(5) intentionally accesses a Federal interest computer without authorization, and by means of one or more instances of such conduct alters information in that computer, or prevents authorized use of that computer, and thereby causes loss to another of a value aggregating $1,000 or more during any one year period; or

"(6) knowingly and with intent to defraud traffics (as defined in section 1029) in any password or similar information through which a computer may be accessed without authorization, if—

"(A) such trafficking affects interstate or foreign commerce; or

"(B) such computer is used by or for the Government of the United States;".

(e) ELIMINATION OF SECTION SPECIFIC CONSPIRACY OFFENSE.—Section 1030(b) of title 18, United States Code, is amended—

(1) by striking out "(1)"; and

(2) by striking out paragraph (2).

(f) PENALTY AMENDMENTS.—Section 1030 of title 18, United States Code, is amended—

(1) by striking out "of not more than the greater of $10,000" and all that follows through "obtained by the offense" in subsection (c)(1)(A) and inserting "under this title" in lieu thereof;

(2) by striking out "of not more than the greater of $100,000" and all that follows through "obtained by the offense" in subsection (c)(1)(B) and inserting "under this title" in lieu thereof;

(3) by striking out "or (a)(3)" each place it appears in subsection (c)(2) and inserting ", (a)(3) or (a)(6)" in lieu thereof;

(4) by striking out "of not more than the greater of $5,000" and all that follows through "created by the offense" in subsection (c)(2)(A) and inserting "under this title" in lieu thereof;

(5) by striking out "of not more than the greater of $10,000" and all that follows through "created by the offense" in subsection (c)(2)(B) and inserting "under this title" in lieu thereof;

(6) by striking out "not than" in subsection (c)(2)(B) and inserting "not more than" in lieu thereof;

(7) by striking out the period at the end of subsection (c)(2)(B) and inserting "; and" in lieu thereof; and

(8) by adding at the end of subsection (c) the following:

"(3)(A) a fine under this title or imprisonment for not more than five years, or both, in the case of an offense under subsection (a)(4) or (a)(5) of this section which does not occur after a conviction for another offense under such subsection, or an attempt to commit an offense punishable under this subparagraph; and

"(B) a fine under this title or imprisonment for not more than ten years, or both, in the case of an offense under subsection (a)(4) or (a)(5) of this section which occurs after a conviction for another offense under such subsection, or an attempt to commit an offense punishable under this subparagraph.".

(g) CONFORMING AMENDMENTS TO DEFINITIONS PROVISION.—Section 1030(e) of title 18, United States Code, is amended—

(1) by striking out the comma after "As used in this section" and inserting a one-em dash in lieu thereof;

(2) by aligning the remaining portion of the subsection so that it is cut in two ems and begins as an indented paragraph, and inserting "(1)" before "the term";

(3) by striking out the period at the end and inserting a semicolon in lieu thereof; and

(4) by adding at the end thereof the following:

"(2) the term 'Federal interest computer' means a computer—

(A) exclusively for the use of a financial institution or the United States Government, or, in the case of a computer not exclusively for such use, used by or for a financial institution or the United States Government and the conduct constituting the offense affects such use; or

"(B) which is one of two or more computers used in committing the offense, not all of which are located in the same State;

"(3) the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and any other possession or territory of the United States;

"(4) the term 'financial institution' means—

"(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(B) the Federal Reserve or a member of the Federal Reserve including any Federal Reserve Bank;

"(C) an institution with accounts insured by the Federal Savings and Loan Insurance Corporation;

"(D) a credit union with accounts insured by the National Credit Union Administration;

"(E) a member of the Federal home loan bank system and any income loan bank; and

"(F) any institution of the Farm Credit System under the Farm Credit Act of 1971;

"(5) the term 'financial record' means information derived from any record held by a financial institution pertaining to a customer's relationship with the financial institution; and

"(6) the term 'exceeds authorized access' means to access a computer with authorization and to use such access to obtain or alter information in the computer that the accesser is not entitled so to obtain or alter.".

(h) LAW ENFORCEMENT AND INTELLIGENCE ACTIVITY EXCEPTION.—Section 1030 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(f) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.".

ANALYSIS—COMPUTER FRAUD AND ABUSE ACT OF 1986

This legislation will expand somewhat the types of criminal miconduct involving computers that will be subject to federal jurisdiction. However, I intend, together with the cosponsor of this bill, that the federal role be expanded only to those areas where there is a compelling federal interest in the prevention and punishment of computer crimes. To that end, this bill provides additional protections against computer crimes affecting the Federal Government itself and federally insured financial institutions; it also proscribes some types of computer crimes that are interstate in nature.

AMENDMENTS TO PRESENT LAW

At present, 18 USC 1030(a)(1) provides for punishement of thefts by computer of national security-related information. This is a felony offense and will remain so. This bill will alter that provision of law only to the extent necessary to simplify the language pertaining to those who "exceed authorized access" to a particular computer system.

The same change will be made to present 18 USC 1030(a)(2). In addition, 18 USC 1030(a)(2) will be altered by changing the scienter requirement from "knowingly" to "intentionally". I am concerned that a "knowingly" standard, when applied to computer use and computer technology, might not be sufficient to preclude liability on the part of those who inadventently "stumble into" someone else's computer file. This is particularly true with respect to those who are authorized to use a particular computer, but subsequently exceed their authorized access by entering another's computer file. It is not difficult to envision a situation in which an authorized computer user will mistakenly enter someone else's computer file. Because the user had "knowingly" signed onto the computer in the first place, the danger exists that he might incur liability for his mistaken access to another file. The substitution of an "intentional" standard is meant to focus federal criminal prosecutions under this paragraph on those who evince a clear intent to enter, without authorization, computer files belonging to another.

The premise of 18 USC 1030(a)(2) remains the protection, for privacy purposes, of computerized information relating to customers' relationships with financial institutions. I believe strongly that the protection offered consumer reporting agency's in the 1984 computer crime legislation must be preserved. This was a valuable addition to the federal criminal statutes, and it ought not be reduced or eliminated. But this bill will also extend those privacy protections to the financial records of all customers—individual and corporate—of financial institutions, as defined in this new bill. As under present law, a first offense under this subsection will be punishable as a misdemeanor. Felony penalties will be available for second and subsequent offenses.

This legislation will also clarify the present 18 USC 1030(a)(3), making clear that it applies to acts of simple computer trespass against computers belonging to, or being used by or for, the Federal government. The Department of Justice and others have expressed concerns about whether present law covers mere trespass offenses, or whether it requires a further showing that the information perused was "used, modified, destroyed, or disclosed." To alleviate those concerns, this legislation will make clear that 18 USC 1030(a)(3) is a tres-

pass offense, applicable to those outside the Federal government. Those government employees who lack the requisite authorization to use a particular computer, or who merely exceed their authorized access can be dealt with in an administrative manner, rather than by criminal punishment. This should alleviate concerns that first arose in 1984 about access and use by whistle-blowers of government-related information that was stored in a computer. So too was deletion of the "disclosure" portion of 18 USC 1030(a)(3). The intentional modification or destruction of computerized information belonging to the government will be covered by a different provision of this proposal. As with 18 USC 1030(a)(2), the scienter requirement in this paragraph will be changed from "knowingly" to "intentionally". A first offense under this subsection will be a misdemeanor; second and subsequent offenses will be felonies.

While the provision of present law relating to attempted offenses will remain unchanged, the provision relating to conspiracies (18 USC 1030(b)(2)) will be deleted entirely. Conspiracies to commit computer crimes wil be treatable under the general federal conspiracy statute, 18 USC 371.

NEW OFFENSES

The new paragraph (a)(4) to be created by this bill is aimed at penalizing thefts of property via computer that occur as part of a scheme to defraud. It will require a showing that the use of the computer or computers in question was integral to the intended fraud, and was not merely incidental. To trigger this provision, the property obtained by the offender in wrongfully accessing a particular computer must further the intended fraud, and not be superfluous to it. The mere use of a computer for recordkeeping purposes, for example, is not meant to constitute an offense under this provision. The use of a computer by one who has devised a scheme to defraud should constitute an offense only when the computer was used to obtain property of another which furthers the fraud, or when the use can be shown to constitute an attempted crime under this chapter.

This paragraph is designed, in part, to help distinguish between acts of theft via computer and acts of computer trespass. In intentionally trespassing into someone else's computer files, the offender obtains at the very least information as to how to break into that computer system. If that is all he obtains, the offense should properly be treated as a simple trespass. But because the offender has obtained the small bit of information needed to get into the computer system, the danger exists that his and every other computer trespass could be treated as a theft, punishable as a felony. I do not believe this is a proper approach to this problem. There must be a clear distinction between computer theft, punishable as a felony, and computer trespass, punishable as a misdemeanor. The element in the new paragraph (a)(4), requiring a showing of an intent to defraud, is meant to preserve that distinction, as is the requirement that the property wrongfully obtained via computer furthers the intended fraud. Offenses under this subsection will be treatable as felonies.

The new paragraph (a)(5) is a malicious mischief statute, and is designed to provide penalties for those who intentionally damage or destroy computerized data belonging to another. Such damage may include an act intended to alter another's computer password, thereby denying him access to his own computerized information. It will be necessary, in proving this offense, that the government demonstrate that a loss has been incurred by the victim totaling at least $1,000 in a single year. This is necessary to prevent the bringing of felony-level malicious mischief charges against every individual who modifies another's computer data. Some modifications, while constituting "damage" in a sense, do not warrant felony-level punishment, particularly when they require almost no effort or expense to repair. The $1,000 evaluation is reasonably calculated to preclude felony punishment in those cases, while preserving the option of felony punishment in cases involving more serious damage or destruction. In instances where the requisite dollar amount cannot be shown, misdemeanor-level penalties will remain available against the offender under the trespass statute created by this bill. Thus, the valuation will not exist for determining the presence or absence of federal jurisdiction; it will serve instead to help determine whether the act constituting the offense is punishable as a felony or a misdemeanor.

In addition, the concept of "loss" embodied in this paragraph will not be limited solely to the cost of actual repairs. The Justice Department has suggested that other costs, including the cost of lost computer time necessitated while repairs are being made, be permitted to count toward the $1,000 valuation. I and the other sponsors of this bill agree.

Finally, in new paragraph (a)(6), this bill provides penalties for those who, knowingly and with an intent to defraud, traffic in computer passwords belonging to others. If those elements are present—and if the password in question would enable unauthorized access to a government computer, or if the trafficking affects intrastate or foreign commerce—this provision could be invoked. A first offense under this subsection will constitute a misdemeanor; second and subsequent offenses will constitute felonies.

● Mr. LAXALT. Mr. President, the legislation being introduced today by Senator TRIBLE and Congressman HUGHES represents a cooperative effort to tighten up the existing statute, 18 U.S.C. 1030, and to propose several new criminal offenses that appear to be necessary at this time. The Committee on the Judiciary has already scheduled a hearing on this bill, and I would hope that the committee will report the measure to the full Senate in the near future.

Rather than repeat Senator TRIBLE's excellent analysis of the bill, I would like simply to focus on the new fraud and malicious mischief offenses and indicate what we are trying to achieve in those two sections. (Proposed 18 U.S.C. 1030(a)(4) and (a)(5).)

The acts of "fraud" that we are addressing in proposed section 1030(a)(4) are essentially thefts in which someone uses a Federal interest computer to wrongly obtain something of value from another. We intend that the use of the computer be an integral—not merely an incidental—part of the commission of the theft.

By including the element of "intent to defraud" in the offense, we wish to distinguish between true theft offenses, where obtaining something of value is the intended object of the act, from the acquisition of knowledge or information that is often incidental to a simple act of unauthorized access.

Computer crime brings into sharp focus the fact that information is a valuable commodity and must be considered property that can be stolen. It is also true that persons who commit acts of unauthorized access often complete those transactions in possession of more knowledge, and hence more information or property, than they had before the act, even though the taking of the information was not the intended object of their offense.

Proposed section 1030(a)(4) is intended to reflect the distinction between theft of information, a felony, and mere unauthorized access, a misdemeanor.

The malicious mischief offense, proposed section 1030(a)(5), contains a jurisdictional amount of at least $1,000 in losses in a 1-year period. In light of the disdain of the Department of Justice for jurisdictional amounts— a disdain that I generally share—I want to make clear that the purposes of the $1,000 loss element are: First, to distinguish between alterations that should fairly be treated as misdemeanors and those that should be felonies; and second, to limit Federal jurisdiction to the felonious alterations. Setting a specific loss value is one way to achieve this end, though it may not be the best one.

The issues raised by computer crime and computer crime legislation are often subtle and exceedingly difficult to solve. Senator TRIBLE and Congressman HUGHES have struggled mightily—and, I believe, successfully—to solve many of those problems in this bill. I know that they welcome the good counsel and advice of all interested parties on these issues as the Congress considers this important legislation.●

By Mr. DOLE for Mrs. HAWKINS:

S. 2282. A bill to establish a national advanced technician training program utilizing the Nation's eligible colleges to expand and improve the supply of technicians required by industry and national security in strategic, advanced, and emerging technology in order to increase the productivity of the Nation's industries, to contribute to the self-sufficiency of competitiveness of the United States in international trade, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL ADVANCED TECHNICIAN TRAINING ACT

● Mrs. HAWKINS. Mr. President, the American economy and the American work force today face global challenges of unprecedented scale. The key to meeting these challenges lies in large measure in skill training, in expanding the pool of technicians employed at the cutting edge of new and

changing industrial technology. The legislation I introduce today, the National Advanced Technician Training Act, addresses this need.

The essence of this bill, Mr. President, is partnerships. Community and technical colleges already have gone further than any other segment of higher education in building programs tailored to the needs of employers and the private sector.

Yet the employer community is just one of many populations knocking at the community college doors. The community colleges serve larger minority populations than any other segment of higher education. Almost 45 percent of the total black community in higher education is attending community colleges; 70 percent of the Hispanic community is tackling its college dreams through community colleges. The community colleges also are serving a more recent phenoomenon in higher education—the so-called reverse transfers. In the State of Washington, among others, the students moving from senior institutions back to community colleges, in order to satisfy the demands of the workplace, are greater in number than the enrollments transferring from the community colleges into the universities and senior colleges.

Growing numbers of adults who already hold higher college degrees—BA's through Ph.D.'s—are using the community colleges to meet the changing skill needs of their careers. For reasons of convenience and economy, the community colleges are the colleges of choice of the innumerable single parents and displaced homemakers who are striving to gain new or better employment. Such diverse demands from the community are putting a severe strain on the budgets of most community colleges. They simply lack the budgetary resources to increase their outreach to employers, and to instigate the courses that will more fully serve the accelerating changes of the workplace. With the seed support that my bill proposes, Mr. President, the partnerships between industry and community colleges that address the emerging priorities of high technology can be encouraged and expanded far beyond their present scope.

In the emerging workplace, Mr. President, virtually all occupations—from auto mechanic, draft and design technician, and machinist to nurse and secretary—require the worker to be prepared in the competencies of high technology. For the nurse and medical technician, it means working with electronically controlled life support systems and exotic lifesaving pharmaceuticals. For the draftsman it means working with computer-aided design, and for the secretary and accountant it means working with word processers and automated ledgers. For the auto mechanic it means working with sophisticated electronic diagnostic equipment, and for the machinist, working with numerical control equipment. Advanced technology is invading almost every worksite, work station and occupation imaginable.

High technology is becoming equally pervasive to the home—sweetening domestic life with everything from food processors and word processors to solar heat.

Some of my colleagues have raised the question, as to why the bill puts the program in the National Science Foundation. There are several reasons, Mr. President.

Perhaps paramount is the simple fact that the National Science Foundation virtually ignores the largest segment of higher education, which is the community colleges. I regard this as a serious breach of the national interest. I see no justification whatsoever for the NSF's thinking that the only stream of talent it needs to keep our country at the forefront of global competition in science and technology comes from the engineering schools and graduate schools of the 90 or so largest research universities.

The NSF has grown topheavy in its preoccupation with graduate and postgraduate work, at the expense of undergraduate science and mathematics. It should be giving much stronger leadership to the needs of undergraduate education, and especially to the community colleges, where more than half the Americans now starting college enroll.

As another reason, the technician training that goes on between industry and the community colleges offers a promising but untapped environment for enhancing American leadership in applied science and applied technology. With seed support from NSF, these partnerships can be used to much greater advantage in strengthening postsecondary instruction in both math and science. Tens of thousands of very bright students are gaining hands-on opportunities to test their inventiveness and their higher aptitudes for math and science, through the community college courses they are taking with industrial laboratories and high-technological employers. Given the proper encouragement and opportunity, many such students will be strong candidates for upper-level courses and eventual graduate work serving the national interest in science and engineering.

As you will note, my bill calls for the establishment of an Office of Applied Technology at NSF, to administer the grant program the bill would establish.

Beyond the grant program, there are at least two important national purposes that could be served by such an office. The NSF should be staffed to work with the Labor Department on long-term projections of the skill base the Nation must have to remain in the forefront of global economic, scientific and technological competition, and this office could serve this function.

It could also provide the leadership on technology transfer that is so badly needed within the Government. Vast amounts of innovation that potentially could enhance American leadership in industry, science and technology are simply dying on the shelves of Federal laboratories, in such diverse Departments as Defense, Education, Energy, and Agriculture, because there is no cohesive Federal strategy for moving the unclassified innovations off the shelves and into the hands of potential users in both the private and public sectors. NSF could be designing and leading such a strategy through this office.

In short, Mr. President, enactment of NATTA would be a major step toward reskilling the American work force to keep our industry and our economy at the forefront of both global competition and applied technology, a step as well toward more employment and greater national productivity.

Mr. President, I ask unanimous consent that the text of the bill and a bill analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Advanced Technician Training Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

(1) both industry and national security are hampered by shortages of highly skilled technicians to produce, operate, and service highly technical equipment, systems, and processes;

(2) growing numbers of dislocated workers and unemployed youth and adults lack the training to meet the emerging skill needs of industry and the information age;

(3) the United States has become increasingly dependent upon foreign producers for the advanced-technology systems that feed reindustrialization and economic growth; and

(4) a national advanced technician training program will give men and women from all backgrounds more opportunities to pursue training and education programs leading to an associate degree or technical certificate or otherwise to upgrade their competence consistent with the emerging needs of business, industry, and national security.

PURPOSE

SEC. 3. It is the purpose of this Act to increase the productivity of the industries of the Nation, improve the competitiveness of the United States in international trade, and prepare technicians and skilled craftsmen by establishing a national advanced technician training program in the Nation's community and associate-degree granting institutions, with matching non-Federal funds.

NATIONAL ADVANCED TECHNICIAN TRAINING PROGRAM

SEC. 4. (a)(1) The Director of the National Science Foundation shall, in accordance with the provisions of this Act, carry out a three-year advanced technician training program under which eligible colleges will provide training to meet skill needs in strategic, advanced, and emerging technology.

(2) Such program shall include, where feasible, on-the-job training with technical occupational training and shall place special recruiting emphasis on attracting men and women whose skills require retraining or upgrading in order to retain their jobs, or who are unemployed, especially workers dislocated by plant closings and technological change, and individuals who have recently completed high school or who left high school prior to graduation.

(b)(1) In carryng out this Act, the Director shall—

(A) establish within the Directorate of Science, Technology, and International Education in the Foundation an Office of Applied Technology with responsibility both for monitoring the skill needs in emerging and strategic technical fields, and for conducting the grant program authorized by this Act;

(B) award grants on a competitive basis to eligible colleges which possess the demonstrated ability to provide competency-based occupational training to pay the Federal share of advanced technology training programs; and

(C) work with the eligible colleges and other institutions of higher education to establish and maintain, at the National Science Foundation a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demands of emerging technology.

(2)(A) For the purpose of clause (B) of paragraph (1), the Federal share shall be 50 percent in each fiscal year.

(B) In carrying out clause (C) of paragraph (1), the Director may enter into contracts with such public and private agencies and organizations as may be necessary.

(C) No grant awarded to a college under this section in any fiscal year shall exceed $50,000.

(c) Each eligible college awarded a grant under this section shall provide an associate-degree training program in designated advanced-technology occupational fields.

(d) The Director, in awarding grants under this section, shall give special considerations to training programs described in subsection (c) which—

(1) include flexibility in scheduling in order to accommodate working people and parents; and

(2) take steps to meet the adaptive and training needs of handicapped young people and adults.

(e) the Director shall prepare and submit to the Congress an annual report on the national advanced technician training program authorized by this Act, together with—

(1) an evaluation of the program;

(2) a catalog of the college programs identified by the required inventory;

(3) a recommendation on the feasibility of expanding the program; and

(4) such other recommendations, including recommendations for legislation, as the Director deems necessary.

(f)(1) In carrying out the duties under this section, the Director shall consult, cooperate, and coordinate with the programs and policies of the Department of Commerce and other relevant Federal agencies including the Department of Labor, the Department of Education, and the Department of Defense.

(2) In carrying out its functions under this Act, the Foundation shall have the same power and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

USE OF FUNDS

SEC. 5. Funds appropriated to carry out this Act shall be used to establish, strengthen, and expand the advanced technician training capabilities of eligible colleges, including—

(1) the development of associate degree and short-cycle training programs in advanced-technology occupations by two-year and four-year colleges, and by consortia of two-year and four-year colleges, with particular emphasis on model instructional programs to prepare and upgrade technicians and to retrain dislocated workers in state-of-the-art competencies in advanced-technology occupations;

(2) the development of special courses of instruction in advanced-technology fields for faculty and instructors, both full-time and part-time faculty and instructors;

(3) the development of instructional materials in support of advanced technical training programs in eligible colleges and the dissemination of such materials among such colleges;

(4) the development of cooperative advanced technician training programs with business, industry, labor, and government; and

(5) the purchase or lease of state-of-the-art instrumentation essential to training and education programs designed to prepare and upgrade technicians in new and emerging advanced-technology fields.

DEFINITIONS

SEC. 6. For the purpose of this Act—

(1) the term "advanced-technology" includes advanced technical activities such as the modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic and defense activities;

(2) the term "Director" means the Director of the National Science Foundation;

(3) the term "eligible college" means a junior or community college or other institution of higher education awarding an associate degree accredited under section 1201 of the Higher Education Act of 1965;

(4) the term "junior community college" has the same meaning given that term by section 322(4) of the Higher Education Act of 1965; and

(5) the term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated $20,000,000 for the fiscal year 1986 and $30,000,000 for each of the fiscal years 1987 and 1988, to carry out the provisions of this Act.

THE NATIONAL ADVANCED TECHNICIAN TRAINING ACT

BACKGROUND AND NEED

The current and future condition of the Nation's scientific and technical manpower supply has a significant influence on the country's scientific and technological capacity to innovate as well as compete with other major industrial nations. To be assured of national success in various technologically related ventures, there must be an adequate supply of qualified skilled technicians to support and assist the professional scientists and engineers.

Within the last decade, high technology development has continued to increase along with the rate in which it has been absorbed by the U.S. economy. Hearings testimony has indicated that the demand for technicians to install, operate, perfect, and service such technologies has apparently exceeded the supply.[1] In order for the Nation to continue to develop new products and processes and to thus maintain its international competitiveness, and adequate supply of qualified technicians will be critical and will necessitate educational and training institutions to produce technicians with the needed capabilities.

In the near future, many jobs nationwide will become obsolete because of the emergence of new technologies. In addition, more than 50 percent of future occupations will require the use of some type of technical equipment.[2] Consequently, millions of workers will require training or retraining in order to remain employable. Many persons will become unemployed because of plant closings and technological change. Recent interested high school graduates who did not take vocational education courses and those who left high school prior to graduation will need training if they are to be employed in the technical workforce.

There is already general interest in the two-year community colleges and technical colleges to provide assistance for the worker in these situations because of their all ready existing structure which allows for low-cost training programs and flexible class schedules. Through cooperative partnership efforts with local industries in areas of the Nation where a need existed, many such educational institutions have been infrequently involved within the last 10 years in job training and/or retraining to meet the needs of displaced workers. It may be possible for these schools to focus more assistance on expanding the Nation's skilled technologically astute workforce. An increase in such programs could provide business and industry access to more individuals who are part of a technically trained workforce that is needed for the United States to compete with other major industrial nations.

HOUSE OF REPRESENTATIVES ACTIVITIES

Legislation

The National Advanced Technician Training Act was introduced in the House of Representatives on May 2, 1985 as H.R. 2353 by Representative Doug Walgren, and jointly referred to the Committees on Education and Labor, and Science and Technology.

The bill, which is similar in basic purpose but not identical to the proposed Senate leg-

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[1] U.S. Congress. House. Committee on Science and Technology. Subcommittee on Science, Research and Technology. The National Advanced Technician Training Act. Hearings on H.R. 2353. 99th Cong., 1st Sess., Sept. 30, 1985. Unpublished testimony of Joseph L. Hines, Vice President of the Board of Trustees, Community College of Allegheny College, Pittsburgh, Pa.

[2] Community Colleges: A Training Ground for Technology. In extension of Remarks of Doug Walgren quoting Pat Choate of TRW. Congressional Record, Daily Edition. v. 131, No. 60—Part 2, May 9, 1985. E2101.

islation, would create a National Technician Training program in community and technical colleges to train young people and adults in strategic advanced technology areas; to help improve skills of employed and unemployed workers; and to provide industry with a technically skilled workforce capable of using advanced technology to modernize the Nation's industries.

A matching grant program would be established in the National Science Foundation (NSF) to assist accredited community and technical colleges in the development of technical training in advanced technology disciplines. All grants, which would not exceed $500,000, would be awarded competitively and matched with non-Federal funds from State and local governments, industry, and other private sources. Such funding might be used to develop associate degree and short-cycle training programs and courses; train faculty; organize cooperative programs with industry and government for personnel exchange programs; develop cooperative training programs with industry, labor and government; buy or lease needed equipment; and develop and distribute instructional materials.

The following groups of individuals would be the focus of this legislation: persons who need retraining or an upgrading of skills in order to retain their jobs; workers unemployed because of plant closings and technological change; recent high school graduates and those who left before completing high school; workers who require flexible work schedules; and handicapped individuals who require special needs.

The NSF would be mandated to establish a clearinghouse to maintain an inventory of advanced technician training programs. Also, the NSF Director is instructed to create a 15-member National Advisory Council on Advanced Technician Training to counsel him concerning the goals and implementing the program. The Council would be chaired by the head of a community or technical college and would include representatives of industry, labor, community and technical colleges, the military, and economic development groups.

NSF is instructed to coordinate its activities with other Federal agencies including the Departments of Commerce, Labor, Education, and Defense.

Recommended funding for the program includes $20 million for fiscal year 1986; and $30 million for fiscal years 1987 and 1988.

Hearings

The House Committee on Science and Technology Subcommittee on Science, Research and Technology held two hearings on H.R. 2353 during the 99th Congress, 1st session—a field hearing at the Parkway West Area Technical School in Pittsburgh, Pa. on September 30, 1985 and one in Washington, D.C. on November 19, 1985.

The following individuals testified at the field hearings:

Dr. John Kraft, President, Community College of Allegheny County; Ms. Cheryl Wilson, an employee of the Mellon Bank and former displaced worker; Edward Slack, President, PPG Industries; Harold Hall, President, Hall Industries, Inc.; John T. Smith, Assistant to the International President, United Steelworkers of America; Jean Noble, President, Noble Robots; and Warren Anderson, Vice President for Issues Management, Pittsburgh National Bank.

At the November 19, 1985 hearing, the witness list included:

Dr. John Moore, Deputy Director, National Science Foundation; Dr. Dwight E. Davis, Vice President, Wausau Insurance Company; Mr. Pat Choate, TRW, Inc.; Mrs. Sheila Korhammer, former President of the Association of Community College Trustees and member of the Board of Trustees of Northampton County Area Community College, Easton, Pa.; Dr. Richard Anderson, District Director, Waukesha County Technical Institute, Pewaukee, Wisconsin; Dr. Andrew Korim, Community College of Allegheny County, Pittsburgh, Pa.; Dr. H. James Owen, President, Tri-Cities State Technical Institute; and Dr. Michael Schafer, President, Mohawk Valley Community College, Utica, New York.

SUMMARY AND COMPARISON OF PROPOSED SENATE LEGISLATION WITH HOUSE BILL

Purpose

The purpose of both legislative proposals is to increase the productivity of the Nation's industries, improve U.S. competitiveness in international trade, and prepare technicans and skilled craftsmen by creating a national advanced technician training program in the Nation's community and associate-degree granting institutions with matching non-Federal funding. The bills, however, vary in regard to the mechanisms for achieving these goals. The discussion below will primarily focus on the Senate proposal except in places where differences in the House legislation are mentioned.

Program

In the proposed Senate legislation, the Director of the National Science Foundation is instructed to implement a three-year advanced technician training program that will provide training in technical skills that will meet U.S. needs in strategic, advanced, and emerging technology.

The program will include, as appropriate, on-the-job training along with technical occupational training particularly emphasizing persons who need retraining or an upgrading of skills in order to keep their jobs, who are unemployed as a result of plant closings and technological change, and persons who recently completed high school or left high school prior to graduation.

The NSF Director is instructed to implement the Act by creating an Office of Applied Technology within the Directorate of [Scientific, Technological, and International Affairs]. This differs from the House bill which does not mandate the establishment of such an office. The proposed bill indicates that this office would monitor the need for required skills in emerging and strategic technical fields and conduct the grant program authorized by the Act. The Federal share of the advanced technology training programs would be awarded through competitive grants to eligible colleges that have demonstrated the ability to provide competent occupational training. The Act indicates that the Federal share shall be 50 percent of each fiscal year's funding. This specification also differs from the House proposal. No grant under this section in the Senate proposal can exceed $500,000 in any fiscal year.

The director is authorized to work with the eligible colleges and other higher educational institutions to create and maintain at NSF a readily accessible inventory of advanced technician training programs which are serving public and private employers and addressing the changing workforce demand of emerging technology. In carrying out this section, the Director may make contracts with such public and private employers as necessary.

Each community and technical college awarded a grant shall provide an associate-degree training program in designated advanced technology occupational areas. In awarding such grants for training programs, special consideration for participants shall include flexibility in scheduling in order to accommodate working people and parents, and make arrangements to meet the adaptive and training needs of handicapped individuals.

In a departure from the House legislation, this proposal does not include establishing a National Advisory Council on Advanced Technician Training.

The Director is required to prepare and submit an annual report to the Congress on the national advanced technician training program along with an evaluation of the program; a catalog of the college programs identified by the required inventory; a suggestion regarding the feasibility of expanding the programs; and other suggestions which may include recommendations for legislation as the Director considers necessary.

Coordination with other Federal departments

In implementing these instructions, the Director is required to consult, cooperate, and coordinate with the programs and policies of the Departments of Commerce, Labor, Education, Defense, and any other relevant Federal agencies.

Use of funding

Appropriated funding shall be used to establish, strengthen, and enlarge the advanced technician training capabilities of eligible colleges, including:

Developing associate degree and short-cycle training programs in advanced technology occupations;

Developing special instructional courses for faculty and instructors in advanced technology fields;

Developing and disseminating instructional materials;

Developing cooperative advanced technician training programs with business, industry, labor, and government; and

Purchasing or leasing state-of-the-art instrumentation necessary for training and educational programs designed to prepare and upgrade technicians in new and emerging technology fields.

Authorized appropriations

For fiscal year 1986, $20 million has been suggested to fund this program. For fiscal years 1987 and 1988, $30 million has been recommended to carry out the provisions of this Act.

Definition of advanced technology

Advanced technology includes "advanced technical activities such as modernization, miniaturization, integration, and computerization of electronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technological applications to enhance productivity improvements in manufacturing, communication, transportation, commercial, and similar economic defense activities."●

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. BOREN, Mrs. HAWKINS, Mr. HECHT, Mr. SYMMS, Mr. HEFLIN, Mr. MCCLURE, Mr. ANDREWS, Mr. GORE, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. DENTON, Mr. BOSCHWITZ, Mrs. KASSEBAUM,

Mr. GRASSLEY, Mr. DOLE, Mr. SIMPSON, Mr. LAXALT, Mr. DOMENICI, Mr. BAUCUS, Mr. QUAYLE, and Mr. BUMPERS):

S. 2284. A bill to amend the Food Security Act of 1985 to require the Secretary of Agriculture to take certain actions to minimize the adverse effects of the milk production termination program on beef, pork, and lamb producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

MEAT MARKETING IMPROVEMENTS ACT

● Mr. NICKLES. Mr. President, the U.S. Department of Agriculture's mishandling of a program designed to reduce milk production has resulted in severe price declines for the beef cattle and other red meat industries. Today, along with 21 of my colleagues, I am introducing legislation, the Meat Marketing Improvements Act, which would reduce the adverse impact of the Dairy Termination Program on red meat producers. This measure is also being submitted in resolution form by Senator ABDNOR as Senate Resolution 379.

The week following the March 28 announcement, the beef cattle futures market was down the limit, $1.50 per hundredweight, 4 out of 5 market days. During this 1-week period, cattlemen selling livestock lost an estimated $25 million due to the artificially induced price declines. The value of the Nation's beef cattle inventory dropped an estimated $2 billion during the same period.

The cost of the Dairy Termination program will total $1.8 billion over 5 years. Approximately $650 to $700 million, or 38 percent, of the program costs will be paid by the dairy industry through producer assessments.

The bids accepted will result in a reduction in milk production by 12.3 billion pounds during the 18-month program. In the March 28 announcement, USDA noted that 1,550,403 head of dairy cows, heifers, and calves are included in the termination program. USDA set up three disposal periods when the cattle would be marketed. The three periods are April 1, 1986 to August 31, 1986; September 1, 1986 to February 28, 1987; and March 1, 1987 to August 31, 1987.

Nearly two-thirds of the total number of dairy cattle under the termination program, 1,015,046 head or 65.5 percent, are scheduled to be marketed during the first disposal period. 176,620 head, 11.4 percent of the total, are to marketed during the second disposal period. 358,737 head, 23.1 percent of the total are to be marketed during the third disposal period.

Since USDA's implementation of this program, cash beef markets have declined an estimated $3 to $8 per hundredweight, depending on the type and size of livestock.

The effect on my State of Oklahoma is staggering. Oklahoma is fifth in total cattle numbers with an annual beef cattle inventory of approximately 5.3 million head worth an estimated $1.72 billion. There are 66,000 beef operations in Oklahoma with an average of 80 head per operation worth an estimated $325 per head. This results in a per operation inventory value of $26,000. A $6 per hundredweight drop in cash beef cattle prices, approximately a 10-percent decline, has cost Oklahoma cattlemen a reduction in inventory value an average of $2,600 since USDA's March 28 announcement.

In introducing this legislation, it is my pleasure to be joined by my colleagues Senators ABDNOR, BOREN, HAWKINS, HECHT, SYMMS, HEFLIN, MCCLURE, ANDREWS, GORE, DURENBURGER, ARMSTRONG, DENTON, KASSEBAUM, BOSCHWITZ, GRASSLEY, DOLE, SIMPSON, LAXALT, DOMENICI, and BAUCUS.

Following is a summary and explanation of the legislation we are introducing:

First, the Secretary of Agriculture is required to purchase a percentage of the 400 million pounds specified in the 1985 farm bill during each disposal period in equal proportion to the percent of the total number of dairy cattle under the Dairy Termination Program that are to be marketed during the same disposal period.

If two-thirds of the dairy cattle are going to market in the first disposal period, two-thirds of the 400 million pounds in required meat purchases should be made during the same timeframe.

Second, if the Secretary determines the amount of purchases during each period is inadequate to offset the amount of meat being marketed as a result of the Dairy Termination Program, the Secretary is required to:

Utilize export promotion programs, such as the Export Enhancement Program, to facilitate the export sales of live animals, red meat, or red meat products; or

Decrease imports of meat and meat products.

Third, the Secretary is required to ensure the marketing of dairy cattle during each disposal period occurs in an orderly manner consistent with the historical relationship of dairy cattle marketed to beef cattle marketed. In carrying out this provision, the Secretary shall give consideration to the marketing patterns within various regions.

Steps should be taken to ensure that within each disposal period, dairy cattle are marketed in an orderly manner and not dumped on the market all at once. Additionally, when determining when the cattle should be marketed, consideration should be given to regional marketing patterns. For example, in Oklahoma a large number of cattle are sold during the late spring months as they are pulled off wheat pasture and sent to the feedlots.

Fourth, the Secretary is required, to the extent feasible, to make adjustments in the scheduled marketing of dairy cattle under the termination program to provide for a more even distribution over all periods.

By shifting dairy cattle under the termination program from the overloaded first period to the second or third period, the impact on cattlemen and others could be lessened. One way to achieve such an adjustment would be to accept bids for the second or third period rather than the first from producers who submitted multiple bids. I might point out that 39,534 producers submitted over 100,000 bids.

Mr. President, I hope this legislation isn't necessary. On Apirl 1, I wrote the Secretary of Agriculture, Richard Lyng, asking that he take administrative action to alleviate the beef cattle price declines caused by the implementation of the Dairy Termination Program. Specifically, I called on him to immediately announce that USDA would pull an amount of meat off the market which would offset the market effect caused by the March 28 announcement.

The Secretary knows that a solid game plan must be formulated in short order or we will force his hand with legislation. Mr. President, I ask my colleagues to stand ready to support us in this effort.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADVERSE EFFECT OF MILK PRODUCTION TERMINATION PROGRAM ON BEEF, PORK, AND LAMB PRODUCERS.

(a) IN GENERAL.—Section 104 of the Food Security Act of 1985 (7 U.S.C. 1446 note) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) As used in this subsection:

"(A) The term 'milk production termination period' means—

"(i) the period beginning April 1, 1986, and ending August 31, 1986;

"(ii) the period beginning September 1, 1986, and ending February 28, 1987; or

"(iii) the period beginning March 1, 1987, and ending August 31, 1987.

"(B) The term 'milk production termination program' means the milk production termination program established under section 201(d) of the Agricultural Act of 1949.

"(C) The term 'Secretary' means the Secretary of Agriculture.

"(2) During each milk production termination period, the Secretary shall use to carry out clauses (1) and (2) of subsection (a) a percentage of the aggregate amount of funds required to be used to purchase and distribute red meat under such clauses that is equal to the percentage of the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of the milk production termination program.

"(3) During each milk production termination period, if the Secretary estimates that the quantity of meat purchased under subsection (a) will be less than the amount of red meat marketed as a result of the milk production termination program, to ensure that the quantity of red meat marketed does not increase during the milk production termination period as the result of the milk production termination program, the Secretary shall—

"(A) increase the quantity of red meat purchased under clause (1) or (2), or both, of subsection (a), with the use of funds referred to in such clause;

"(B) utilize programs operated by the Secretary for the purpose of encouraging or enhancing commercial sales in foreign export markets of United States agricultural commodities or the products thereof (including the payment of a bonus or incentive (in cash, commodities, or other benefits) provided to a purchaser) to encourage and enhance the export sales of live animals, red meat, or red meat food products;

"(C) decrease the aggregate quantity of meat articles otherwise estimated by the Secretary under section 2(e)(1) of the Meat Import Act of 1979 (19 U.S.C. 2253 note); or

"(D) implement any combination of clauses (A) through (C).

"(4) During each milk production termination period, the Secretary shall ensure that dairy cattle marketed for slaughter as a result of the milk production termination program be marketed in an orderly manner consistent with the historical relationship of marketed dairy cattle to marketed beef cattle. In carrying out this paragraph, the Secretary shall consider regional patterns for marketing beef cattle.

"(5) To the extent feasible, the Secretary shall adjust the number of dairy cattle marketed for slaughter as a result of the milk production termination program during each milk production termination period to provide for a more even distribution of such marketings over all such periods.".

(b) TECHNICAL CORRECTION.—Paragraph (3) of section 2(g) of the Meat Import Act of 1979 (19 U.S.C. 2253 note) is amended by striking out "the policy set forth in subsections (c) and (d) will be carried out" and inserting in lieu thereof "the aggregate quantity of meat products entered will not exceed the aggregate quantity estimated under subsection (e)(1)".

● Mr. DURENBERGER. Mr. President, I am pleased to join my colleagues in cosponsoring this legislation to correct the Department of Agriculture's implementation of the Dairy Termination Program.

In implementing the Food Security Act of 1985 the Department of Agriculture has shown that it is unaware of the needs of farmers. Hundreds of my Minnesota constituents have called me to say that participation in the 1986 Farm Program as it is being implemented by the Department means confusion, delay, and added financial problems.

It is unfortunate that Congress must take action at every turn to correct the Department's erroneous interpretation of a bill we passed only 4 months ago in which the Department was directed to implement an orderly and timely flow of cattle to market to reduce the effect of the Dairy Termination Program on red-meat markets.

The fact is that when the Department announced last week that over 1 million head of dairy cattle will be slaughtered in the immediate future, the livestock markets dropped the limit 4 days in a row last week and continue to be unsteady.

This sharp drop has affected not only beef and pork producers, but those dairymen participating in the program. Let me provide an example of how prices have dropped. For large cows the price dropped from 37 to 40 cents per pound to 27 to 30 cents; for those weighing 900 pounds the price dropped from 48 cents per pound to 32 cents; for those weighing between 450 to 900 pounds the price dropped from 45 cents per pound to 24 cents; and for those weighing between 250 to 450 pounds the price dropped from 40 to 50 cents per pound to 20 cents. To say that this represents a significant loss of income to farmers who are already in precarious financial condition is to understate a serious reality.

My office has been handling a steady stream of calls from affected farmers. Serious damage has already been done. But the legislation and resolution being introduced today is clearly needed to prevent a repetition of this situation.

This legislation requires the Secretary of Agriculture to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. If the Secretary determines that this is inadequate he is directed to take additional steps to provide such an offset. Finally, he is required to develop regulations which will assure an orderly, timely, and even flow of cattle to slaughter to prevent further flooding of the livestock markets.

Mr. President, the agricultural economy is in dire straits. The Federal Government must be sensitive to this situation when implemting the 1986 Farm Program and making decisions which will have far-reaching impacts on not only the individual farmer, but the agricultural economy.●

● Mr. BOREN. Mr. President, today I am joining several of my colleagues in introducing legislation which would require the Secretary of Agriculture to ensure that the Dairy Termination Program, the so-called whole-herd buy-out, will not disrupt the beef market.

The Food Security Act of 1985 authorized a program whereby milk producers could completely discontinue their dairy operations. The program provides for the termination of milk production by producers who agree to: First, sell for slaughter or export all dairy cattle in which the producer has an interest; and second, not to acquire any interest in dairy cattle or the production of milk during a period of 3 to 5 years after completion of such sale.

When we were considering this proposal, there was a great deal of concern about the possible impact this program could have on livestock markets, particularly the cattle market. During Senate consideration of the dairy provisions, Senator ABDNOR and I gained adoption of an amendment which required the Secretary to take all feasible steps to prevent an adverse effect on beef and pork products.

In order to avoid any impact on beef and pork producers, the Food Security Act requires the Secretary to provide for the orderly and timely flow of cattle that are marketed due to the Dairy Program. Further, the act requires the Secretary to purchase 400 million pounds of red meat in addition to those quantities normally purchased and distributed by the Department. The report language of the conference report directs the Secretary, in making these purchases, to recognize the effect of the Dairy Program on the beef, pork, and lamb industries.

One would think all this language would have effectively protected cattle prices from negative effects of the Dairy Program. Last week, however, the bottom virtually fell out from under cattle prices. The cash price for beef cattle fell $6 per hundredweight. If the price remains low for the remainder of the year, this $6 drop could cost Oklahoma cattlemen $163 million in income. That amounts to about 16 percent of total income for cattle marketings in my State.

How could this happen with all the protective language we included in the farm bill one might ask. First of all, when the Secretary announced the number of dairy cattle to be slaughtered under the whole-herd buy-out, he also announced his intention to purchase 400 million pounds of red meat to offset the slaughterings. Unfortunately, the press release announcing his intention to purchase was buried in a stack of press releases issued that day and received little attention by the news media. Second, though the Secretary announced his intention to purchase the additional meat, there was no indication of exactly when he was going to purchase it or the quantity during given periods of time. Finally, under the whole-herd buy-out, roughly two-thirds of the total number of dairy cattle to be slaughtered were going to hit the

market during the first disposal period of the program. That means that 1,015,046 head of dairy cattle will go to the slaughterhouses between now and August 31, putting an additional 250 to 275 million pounds of beef on the market.

If the Secretary were going to purchase two-thirds of the 400 million pounds during the same period, it could prevent a drop in cattle prices. The Secretary never mentioned when he was going to buy the meat; rather, he only stated that the Department would begin purchasing the meat. The Department could purchase 5 pounds this year and then at the end of the whole-herd buy-out program, 18 months from now, purchase the rest. Overall, the amount of meat going on the market would remain the same. Yet, during the 18 month period, the cattle industry in this country could be wiped out!

Mr. President, the cattle industry cannot afford further reductions in price. For 6 consecutive years, the price farmers and ranchers have received for cattle has declined. The 1985 prices were 20 percent lower than the 1980 price. Just prior to the announcement of the Dairy Program, cattle prices were 10 percent lower than they were a year ago. Now is the worst time in the world to lower prices an additional $6 per hundredweight. On average, this cost cattlemen $58.80 per head. In Oklahoma, a $6 drop in prices translates into an average loss per cattleman of almost $5,000. Cattlemen simply cannot afford to lose any money as prices before the announcement of the program barely allowed them to break even on their cattle operations.

The timing of the announcement hit my home State of Oklahoma particularly hard. April happens to be the month when Oklahoma farmers and ranchers take cattle off wheat pasture for immediate sale. Many of Oklahoma's cattlemen planned for the past year to sell their cattle the first couple of weeks in April. Some were able to delay their marketings; others were not so fortunate. I've heard from several cattlemen who had shipped their cattle to auctions before the price had fallen. Regretfully, though shipped prior to the drop, they were sold after the drop. Many Oklahoma farmers and ranchers have already lost thousands of dollars as a result of the Secretary's announcement. Many more are likely to lose thousands if we do not act quickly to ensure that the Dairy Program will not have any more of an adverse effect on cattle prices.

The legislation we are introducing today attempts to reduce the adverse effect of the Dairy Program on livestock producers. Our legislation will require the Secretary to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. In other words, if two-thirds of the dairy cattle are being slaughtered in one period, two-thirds of the required meat purchases must be made during the same period. Additionally, the legislation requires the Secretary to take additional steps if he determines that the purchases are not adequate to prevent an adverse impact on the meat market. The Secretary would have several options at that point. He could decrease imports, increase exports, or increase purchases.

When we passed the 1985 farm bill, we believed we had effectively protected the cattle market from adverse effects created by our Government programs. Clearly, this program has been grossly mismanaged, and congressional action has become necessary.

It is critical that we act now to reverse the decline in cattle prices. I urge my colleagues to join in support of this legislation.●

By Mr. McCLURE (by request):

S. 2285. A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes; to the Committee on Energy and Natural Resources.

NATURAL GAS POLICY ACT AMENDMENTS

● Mr. McCLURE. Mr. President, pursuant to an Executive communication referred to the Committee on Energy and Natural Resources, at the request of the Department of Energy I send to the desk a bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of Energy, and I ask unanimous consent that the bill, the Executive communication which accompanied the proposal from the Secretary, a section-by-section analysis, and a factsheet on the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Policy Act Amendments of 1986."

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TITLE I—OPEN ACCESS TO TRANSPORTATION NON-DISCRIMINATORY AUTHORIZATIONS

SEC. 101. Section 311(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. §3371(a)) is amended by—

(a) revising paragraph (1) to read as follows:

"(1) IN GENERAL.—The Commission, by rule or order, may authorize any pipeline to transport natural gas on behalf of any person."

(b) redesignating subparagraph (1)(B) as paragraph (2);

(c) deleting subparagraph (2)(A);

(d) redesignating subparagraphs (2)(B)(i), (2)(B)(ii), (2)(B)(ii)(I), and (2)(B)(ii)(II) as subparagraphs (3)(A), (3)(B), (3)(B)(i), and (3)(B)(ii), respectively.

(e) adding a new paragraph (4) to read as follows:

"(4) NON-DISCRIMINATION.—

(A) A pipeline transporting gas pursuant to this subsection shall do so without discrimination.

(B) A pipeline receiving gas pursuant to this subsection shall provide transportation service pursuant to this subsection without discrimination."

OPEN ACCESS CARRIAGE

SEC. 102. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3361-3375) is amended by adding the following new section:

"SEC. 316. OPEN ACCESS CARRIAGE.—Upon request by any person, the Commission shall direct an interstate pipeline to provide transportation service, unless the pipeline demonstrates to the Commission it is incapable of rendering the service. The pipeline shall provide this transportation service without discrimination. The rates and charges for this transportation service shall be just and reasonable within the meaning of the Natural Gas Act. The Commission may implement this section by rule or order, and may attach appropriate terms and conditions consistent with the fullest practicable use of capacity."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3301 note) is amended by adding after the item relating to section 315 the following:

"Sec. 316. Open Access Carriage."

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER FIRST SALES REMOVAL OF WELLHEAD PRICE CONTROLS

SEC. 201. Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3331) is

amended by adding at its end the following new subsections:

"(f) SPECIAL RULE FOR CERTAIN GAS.—The provisions of subtitle A shall not apply to—

"(1) gas subject to any contract for the first sale of natural gas executed after March 1, 1986, or

"(2) gas subject to any contract for the first sale of natural gas renegotiated after March 1, 1986, if the renegotiated contract expressly provides the provisions of subtitle A shall not apply.

"(g) REMOVAL OF WELLHEAD PRICE CONTROLS ON NATURAL GAS.—Beginning April 1, 1987, the provisions of subtitle A respecting maximum lawful price shall cease to apply to the first sale of any natural gas."

REPEAL OF COMMISSION JURISDICTION OVER FIRST SALES OF NATURAL GAS

SEC. 202. (a) Section 601(a)(1)(B) of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3431(a)(1)(B)) is revised to read as follows:

"(B) COMMITTED OR DEDICATED NATURAL GAS.—For purposes of section 1(b) of the Natural Gas Act, the provisions of the Natural Gas Act and the jurisdiction of the Commission under such Act shall not apply to natural gas which was committed or dedicated to interstate commerce as of the day before the date of enactment of this Act solely by reason of any first sale of such natural gas."

(b) Section 315 of the Natural Gas Policy Act of 1978 (15 U.S.C. § 3375) is repealed, and the item relating to section 315 is stricken from the table of contents of that Act.

(1) sections 103(a)(16), (a)(18), (a)(19), and (a)(29) (42 U.S.C. § 8302(a)(16), (a)(18), (a)(19), and (a)(29));

(2) sections 201 and 202 (42 U.S.C. §§ 8311 and 8312);

(3) section 302 (42 U.S.C. § 8342);

(4) section 401 (42 U.S.C. § 8371);

(5) section 402 (42 U.S.C. § 8372); and

(6) section 405 (42 U.S.C. § 8375).

(b) The table of contents in section 101(b) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8301(b)) is amended by striking the items relating to the sections repealed by subsection (a) of this section.

CONFORMING AMENDMENTS

SEC. 302. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phrases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8302) is amended—

(1) in subsection (a)(13)(B), by—

(A) striking clause (ii)(III);

(B) striking "; or " at the end of clause (ii)(II), and inserting a period in its place; and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuelburning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuelburning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking or "major fuel-burning installation" wherever this phrase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Section 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8303) is amended to read as follows:

"The provisions of this Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States."

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8343) is amended—

(1) by striking "or installation" and "or installations" wherever the phrases appear;

(2) by striking "or 302" wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuel-burning installation"; and

(6) by amending the last sentence of subsection (b)(3) to read as follows: "Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order."

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "AND EXEMPTIONS";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit)";

(5) in subsection (d)(1)(B), "or in the consideration of such petition";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404), "; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8412) is amended by striking—

(1) in the title of subsection (a), "OR EXEMPTION";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated) ", or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b),";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesignated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8421) is amended by striking in the first sentence of subsection (a), "or major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. § 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(1) "new or" in the phrase "In the case of any new or existing facility"; and

(2) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

REPEAL OF INCREMENTAL PRICING REQUIREMENTS

SEC. 303. (a) Subject to subsections (b) and (c) of this section, title II of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3341-3348) is repealed, and the items relating to title II are stricken from the table of contents of that Act.

(b) A rule promulgated by the Commission under title II of the Natural Gas Policy Act of 1978 shall continue in effect only with respect to the flow-through of costs incurred before the enactment of the Natural Gas Policy Act Amendments of 1986, including any surcharges based on such costs.

(c) The Commission may take appropriate action to implement this section.

THE SECRETARY OF ENERGY,
Washington, DC, April 10, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: We have made great progress in restoring our Nation's energy health in the last five years, but the job of

providing Americans with an adequate supply of energy at a reasonable price is far from over.

Today, natural gas, one of our most important and valuable resources, is caught in a regulatory headlock that is keeping prices artificially high and preventing America from harnessing the enormous benefits and advantages of this important fuel. Comprehensive regulatory relief and decontrol of the natural gas market will remove one of the last remaining hurdles to energy prosperity for the United States, and we should not rest until we reach this goal.

Accordingly, I am pleased to send to the Congress, on behalf of the President, the "Natural Gas Policy Act Amendments of 1986." This proposal will provide a system that ensures open access to nautral gas transportation and will remove controls that discourage production of our lowest cost gas resources.

The result will be lower prices for American consumers, more plentiful supplies of natural gas, increased productivity, more jobs and less imported oil.

In the past, such predictions and efforts for regulatory decontrol and regulatory relief in our energy markets have been met by critics who claimed that removal of controls would lead to higher prices.

The record of the last five years shows quite convincingly, however, that these critics have been wrong and that the best price for commodities is the lowest price that is obtained in a competitive free market.

Five years ago, for example, when regulatory controls were removed from the U.S. oil market, many said it would very quickly lead to gasoline that cost $2.00 at the pumps and oil that cost up to $90 a barrel. The same kind of charges were levied a year ago when price controls were removed from about half of the Nation's gas supplies.

As today's headlines show, energy consumers are enjoying dramatically lower prices and more abundant supplies of oil, gasoline and natural gas than they have seen in years. Removal of price controls from oil and partial decontrol of natural gas were significant strides forward, but now we need to finish the job.

This legislative proposal will realize the benefits and goals of a free natural gas market in a manner that is fair to the consumer, the transporter, and the producer alike. It includes three essential features:

Immediate decontrol of all new and renegotiated contracts, with a total lifting of remaining price controls by April 1, 1987;

A system that ensures open access to transportation, from the gas field to the consumer; and

Elimination of current laws that restrict the use of natural gas.

A section-by-section analysis also is enclosed to provide a detailed description of this proposal.

Today's energy abundance, the success of free energy markets and the example of partial decontrol of natural gas clearly attest to the fact that full deregulation of the natural gas market is long overdue. I strongly urge you to join me this year in taking the final steps toward the removal of the impediments to natural gas transportation and the lifting of counterproductive controls on the natural gas market. These actions can only work to the benefit of the American consumer, our economy, the natural gas industry and our future energy health and stability.

Yours truly,

JOHN S. HERRINGTON.

FACTSHEET—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

SUMMARY

The Administration bill will promote competition in the natural gas market and will ensure that consumers receive adequate supplies of natural gas at reasonable prices.

The Administration bill will result in lower average gas prices, increased domestic gas production and consumption, reduced payments for imported oil and gas supplies, and an improved balance-of-trade.

Reduced prices for high cost supplies and increased production of low-cost old gas supplies will lower gas prices by an average of about $0.10 to $0.20 per thousand cubic feet per year between 1987 and 1995.

Market prices for old gas will result in increased production from existing old gas reserves of about 30 to 34 tcf over the next 40 years, including about 12 to 14 tcf from delayed abandonment, 15.5 tcf from infill drilling, and 2.5 to 4.5 tcf from production enhancement.

The Administration bill will result in net economic benefits of about $16 billion to $24 billion (1984 dollars) over the next ten years relative to current regulations.

PROVISIONS OF THE ADMINISTRATION BILL

The Administration bill includes "open access" provisions that require interstate pipelines to provide transportation on a nondiscriminatory basis and to the fullest extent practicable.

Upon enactment, the Administration bill decontrols all natural gas wellhead prices subject to new or renegotiated contracts. All remaining Federal wellhead price controls are to be removed on April 1, 1987.

The Administration bill will prevent contracts containing an area rate clause, with no other indefinite price escalator clause, from reverting to extremely low fixed prices.

Provisions in current law that arbitrarily restrain the demand for natural gas, including certain provisions of the Fuel Use Act and the incremental pricing provision of the NGPA, are repealed.

BENEFITS OF THE ADMINISTRATION BILL

The Administration bill will open access to available interstate pipeline transportation capacity.

Open access will increase the competition between pipelines and producers and thereby ensure least-cost gas supplies to consumers.

Open access will ensure that the benefits of increased competition in the natural gas market extend to all consumers.

The Administration bill will result in lower average natural gas prices and increased gas market flexibility.

After partial decontrol, average wellhead prices declined by about 5 percent in real terms during 1985. Under full decontrol, average prices are projected to fall by about 14 to 17 percent in the first year after enactment, or by about $0.25 to $0.45 per mcf.

Decontrol of all gas prices will result in the production of 30 to 34 tcf of old gas reserves that would not be produced under current regulations. This additional production will occur at the rate of about 750 to 850 bcf per year for the next 40 years.

Increased production of old gas reserves will lower gas prices and encourage renegotiation of contracts that hold high-cost gas prices above market-clearing levels.

Lower gas prices, increased consumption and production of old gas reserves, and renegotiation of high-cost contracts will rapidly dissipate the inefficient surplus of deliverable gas supplies.

Lower domestic gas prices will also force prices for imported gas to decline, reducing payments for imported gas by about $3 billion to $5 billion between 1987 and 1995.

Lower prices for natural gas will also reduce oil imports by about 300 to 350 thousand barrels per day on an average from 1987 to 1995, resulting in an annual reduction of $1.6 billion to $3.2 billion in the U.S. balance-of-payments def'cit.

Repeal of demand restraints will allow all consumers to choose the least-costly fuel available.

SECTION-BY-SECTION ANALYSIS—NATURAL GAS POLICY ACT AMENDMENTS OF 1986

TITLE I—OPEN ACCESS TO TRANSPORATION

Section 101 would revise Natural Gas Policy Act (NGPA) section 311(a) to expand voluntary transactions for gas transportation. This, and the following section on "Open Access Carriage," are intended to open the transportation system to competition. As a result, all gas supplies, including low-cost gas now shut-in, would become available at prices that reflect the highly competitive nature of the wellhead and burner-tip markets for natural gas.

NGPA section 311(a) currently permits the Federal Energy Regulatory Commission to authorize transportation by interstate pipelines on behalf of any intrastate pipeline or local distribution company, and by an intrastate pipeline on behalf of any interstate pipeline or local distribution company served by an interstate pipeline. Section 101 would expand NGPA section 311(a) to permit the Commission to authorize any pipeline to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a), but rather to indicate the broadest application of section 311(a).

Section 101 also would add a new paragraph (4) to NGPA section 311(a) to make clear transportation under that section must be non-discriminatory. There is no legitimate reason to discrimination in an open, market-oriented system. Discrimination hinders competition, and thus is at cross purposes with the Congressional determination in the NGPA that the wellhead market is competitive and that consumers are best served by letting competitive forces work.

In addition, new paragraph (4) would require any natural gas company which received gas pursuant to section 311(a) to offer section 311(a) transportation service. It is intended that those who benefit from section 311(a) transportation services must offer the same service to others.

These changes would not affect the basic thrust of the Commission's recent action in Order No. 436. Rather, these changes are intended to codify the spirit of that action and to reinforce the Commission's generic authority to promote and provide for voluntary transportation arrangements, and thereby to increase the competitive flow of gas in commerce at market-sensitive prices.

Section 102 would add a new section 316 to the NGPA providing for "Open Access Carriage." Section 316 would provide that, upon application by any person, the Commission shall direct an interstate pipeline to transport gas unless the pipeline demonstrates to the Commission it is incapable of rendering the service. This section is intend-

ed to open the natural gas market to the operation of the laws of supply and demand to the fullest extent. It would remove barriers to open transportation that now exist, and would allow willing buyers and sellers to deal directly to bring low cost, currently shut-in gas to market. This section responds to the failure of most interstate pipelines to participate in Order No. 436, and to the conditions that precipitated Order No. 436 in the first place: the inability of consumers to obtain transportation for gas purchased directly from producers.

In determining whether a pipeline is "incapable" of rendering service for the Commission, it is intended, would avoid interpretations that prevent carriage. The Commission should consider such factors as full pipeline utilization, full use of pipeline interconnections and compression, and displacement or other ways of facilitating transportation. The primary concern of the Commission, in making this determination, must be to ensure competition in the marketplace through the utilization of pipeline capacity to the fullest extent practicable.

The Commission is given the option to implement this section either by rule or order. This is intended to give the Commission the flexibility to act on applications as circumstances vary while preventing abuse of its processes that would delay open carriage. This section makes clear it shall operate without discrimination. Finally, the charge for transportation under this section must be just and reasonable, as that term has been defined under the Natural Gas Act.

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

Section 210 would amend NGPA section 121 to provide for the ultimate elimination of all price controls on first sales of natural gas. New subsection (f) would provide that natural gas sold under contracts executed or renegotiated after March 1, 1986, would be free from any NGPA price controls. This provision would permit natural gas prices to be established immediately in accordance with market forces and not the existing artificial price ceilings. With regard to renegotiated contracts, decontrol would occur only if the renegotiated contract expressly so provides. New subsection (g) would remove price controls on April 1, 1987, from all first sales of natural gas not previously decontrolled and thus end the Federal Government's involvement in establishing the wellhead price for natural gas.

Section 202(a) would eliminate the Commission's jurisdiction under the Natural Gas Act (NGA) to regulate non-price aspects (such as certification and abandonment) of first sales of natural gas. NGPA section 601(a)(1)(A) currently exempts from such jurisdiction first sales of natural gas that was not committed or dedicated to interstate commerce prior to the enactment of the NGPA, while NGPA section 601(a)(1)(B) exempts certain committed or dedicated natural gas (such as high-cost gas in section 107). Section 202(a) would amend NGPA section 601(a)(1)(B) to eliminate the Commission's NGA jurisdiction over any first sale of natural gas after enactment of the Natural Gas Policy Act Amendments of 1986. This provision would allow the fullest operation of the market by permitting gas to be sold to any purchaser and not just the purchaser under a contract no longer in effect.

Section 202(b) would repeal NGPA section 315. Currently, section 315(a) provides that the Commission can specify the minimum duration of certain contracts. Section 315(b) provides purchasers with a right of first refusal in certain circumstances. Section 315(c) permits the Commission to require the filing of contracts for the first sale of natural gas. The repeal of the existing NGPA section 315, along with the elimination of the Commission's NGA jurisdiction over first sales (see section 202(a)), would remove all non-price regulation of first sales of natural gas.

Section 203 would add a new section 315 to the NGPA providing for "the effect of area rate clause" following decontrol. For a certain, limited number of contracts, the section would treat the last price paid for NGPA section 104 or 106(a) gas before decontrol on April 1, 1987, as a federally-established rate or charge for purposes of area rate clauses. The contracts involved are those containing an area rate clause and no other indefinite price escalator clause, and only if the contract was entered into when the Federal Government prohibited an indefinite escalator provision other than an area rate clause. The intent of this section is to deal with situations where the Federal Government in effect dictated the price terms to the commercial parties. It would prevent a roll-back to extremely low fixed prices in contracts where the parties were unable to deal with this eventuality because of Federal interference with contract terms. This section would thus continue the status-quo, and would prevent both uncertainty over the applicable pricing terms and litigation that might result from that uncertainty.

TITLE III—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

Sections 301 and 302 would repeal several sections of the Powerplant and Industrial Fuel Use Act of 1978 (FUA).

The bill would repeal (1) the prohibitions on the use of natural gas and petroleum as a primary energy source in new electric powerplants (FUA § 201) and new major fuel-burning installations (FUA § 202), (2) the prohibition on the construction of new powerplants without alternate fuel capability (FUA § 201), and (3) the discretionary authority of the Secretary of Energy to prohibit nonboiler installations from using natural gas and petroleum as a primary energy source (FUA § 202).

The bill would repeal section 302 of FUA which authorizes the Secretary of Energy to prohibit the use of natural gas or petroleum as a primary energy source where coal or alternate fuel capability exists in existing major fuel-burning installations.

The Secretary of Energy's authority under section 401 of FUA to prohibit the use of natural gas as a primary energy source in certain boilers would be repealed.

The bill would repeal section 402 of FUA which prohibits certain installations of new outdoors lighting fixtures that use natural gas and certain uses of natural gas therein.

The bill would repeal section 405 of FUA which authorizes the Secretary of Energy to restrict, by rule, increases in the use of petroleum as a primary energy source in existing powerplants that used coal or another alternate fuel in 1977.

The bill would repeal subsections 103(a)(16), (a)(18), (a)(19) and (a)(29) of the Powerplant and Industrial Fuel Use Act of 1978, which provide certain definitions for general reference that are no longer necessary due to the proposed repeal of many statutory provisions.

Section 303 would repeal title II of the NGPA, which provides for an incremental pricing system whereby low priority users of natural gas pay a larger share of the first sale acquisition costs for natural gas, and thus would end this regulatory system. Acquisition costs incurred prior to the enactment of this bill would be passed through to users on the basis of the existing Commission regulations for incremental pricing. Any acquisition costs incurred after the enactment of this bill would be dealt with without regard to incremental pricing requirements.●

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 2287. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg River in the State of New Jersey for potential addition to the wild and scenic rivers system; to the Committee on Energy and Natural Resources.

GREAT EGG HARBOR RIVER

● Mr. BRADLEY. Mr. President, it is my pleasure to send the following bill to the desk on behalf of myself and my distinguished colleague from New Jersey, Senator LAUTENBERG. The purpose of this legislation is to direct the Department of the Interior to study the potential addition of the Great Egg Harbor River in southern New Jersey to the National Wild and Scenic River System. Companion legislation, introduced by Congressman WILLIAM HUGHES, was recently adopted by the House of Representatives as part of the omnibus river bill.

Mr. President, the National Wild and Scenic River Act, passed in 1968, offered the first Federal protection for the Nation's rapidly disappearing network of free-flowing rivers and streams. This landmark law preserves selected rivers and river corridor landscapes which possess outstanding scenic, recreational, historic, and cultural values.

The Great Egg Harbor River is located in a largely undeveloped area of southern New Jersey. A large portion of the river is within the Pinelands National Reserve. The mainstem of the river is 60 miles in length. It rises in urbanized Camden County and flows through Gloucester and Atlantic Counties before it empties into the Atlantic Ocean behind the barrier island of Ocean City.

The slow moving water of the Great Egg Harbor River represents a typical Pine Barrens ecosystem where water is the most important resource. Freshwater is stored in the extensive Cohansey aquifer below the Pine Barrens surface. It is estimated that the Cohansey aquifer is the largest underground reservoir of freshwater in the world.

The unique plant and animal species found in the Great Egg Harbor watershed are peculiarly adapted to the limitations of this naturally highly acidic water. The wetlands support a large number of threatened and endangered

species which are extremely sensitive to changes in water level and quality.

Most of the 39 species of mammals, 299 bird species, 59 reptile and amphibian species and 91 fish species common to the Pine Barrens exist in the Great Egg Harbor watershed. Beaver, otter, and muskrat are found in the wetlands along with 44 species of game birds, ospreys, and nesting bald eagles. The endangered Pine Barrens treefrog, gray treefrog, and timber rattlesnake are also found in the area.

The Great Egg Harbor River has provided opportunities for hunting, trapping, and fishing since the 1700's. Remains of 17th and 18th century sawmills, papermills, and gristmills, early factories, and intact 18th and 19th century villages are common throughout the watershed. Nineteenth and twentieth century ethnic settlements are found in agricultural communities near the river. Two important local agricultural crops are cranberries and blueberries, both of which represent a significant share of New Jersey's agricultural economy.

Mr. President, the Great Egg Harbor River is remarkably diverse. It represents an ecosystem so unique that the United Nations has proclaimed it and the rest of the New Jersey Pinelands National Reserve as an international biosphere. It is a truly remarkable combination of natural features that has been the focus of study by scientists of international reputation.

The Great Egg Harbor River is one of New Jersey's greatest and most beautiful natural resources. Those who live in southern New Jersey would like to assure that the river's water quality and recreational opportunities are maintained through sound planning and management. The Wild and Scenic Rivers Act provides this protection through the development of a management plan. The proposed study has the support of 14 local municipalities and none has opposed the study. Subsequent hearings and the study itself will give local supporters and opponents the opportunity to present their views to determine the future of the river.

Mr. President, the Wild and Scenic Rivers Act has been successful in preserving a number of our Nation's free-flowing rivers. The Great Egg Harbor River is an ideal candidate for inclusion with these natural wonders. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GREAT EGG HARBOR RIVER.

(a) STUDY.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) is amended by adding at the end thereof the following new paragraph:

"(92) Great Egg Harbor River, New Jersey: The entire river.".

(b) COMPLETION DATE.—Section 5(b)(3) of such Act is amended by adding at the end thereof the following: "The study of the river named in paragraph (92) of subsection (a) shall be completed not later than three years after the date of the enactment of this sentence.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Paragraph (4) of section 5(b) of such Act is amended by adding at the end thereof the following: "Effective October 1, 1986, there are authorized to be appropriated for the purpose of conducting the study of the river named in paragraph (92) such sums as may be necessary.".●

● Mr. LAUTENBERG. Mr. President, I am pleased to join my distinguished colleague from New Jersey, Senator BRADLEY, in introducing legislation directing the National Park Service to study the Great Egg Harbor River for potential addition to the National Wild and Scenic Rivers System. A similar measure, introduced in the House by our distinguished colleague, Representative BILL HUGHES, was adopted yesterday by that body.

The Wild and Scenic Rivers Act, enacted in 1968, expressed the national policy of balancing the need for dams and other construction at appropriate sections of rivers with the need to preserve other selected rivers and sections of rivers in their free-flowing condition. It was the intent of Congress to protect such rivers and their immediate environments, which possess outstanding scenic, recreational, historic, cultural, or other similar conservation values.

In 1981, the U.S. Department of the Interior recognized the value of the Great Egg Harbor River by placing it on the nationwide rivers inventory. The river was determined to have nationally significant qualities making it eligible, subject to further study, for inclusion in the National Wild and Scenic Rivers System.

The river, located in southern New Jersey, begins in Berlin Township in Camden County and flows in a general southerly direction through Gloucester and Atlantic Counties before it empties into Great Egg Harbor. A large portion of the river is located in the Pinelands National Reserve, one of our greatest natural resources. It is the longest canoeable river in the Pinelands, running through wetlands abundant with wildlife, including many threatened or endangered species. Aquatic life in the watershed is selectively suited to the unique environment of the Great Egg Harbor River. Herring and striped bass return from the Atlantic Ocean to spawn in the gravel of the river's tidal reach.

Historic settlements, residential homes, campgrounds and several State and local parks are located along the river bank. Its unique environment affords a wilderness experience seldom found within proximity to populated centers.

Mr. President, the National Park Service strongly supports this legislation. The municipalities along the River support this effort to protect this great natural resource, as does the State of New Jersey.

The act provides flexibility in the levels of protection and conservation management for a river included in the Wild and Scenic Rivers System. The process for development of a management plan under the Act must involve considerable participation by local citizens and municipalities, along with the State and Federal governments.

The Great Egg Harbor River is an ecosystem which is so unique that the United Nations has proclaimed it and the rest of the Pinelands National Reserve as an "international biosphere", a "truly remarkable combination of natural features that merits preservation and study by scientists of international repute."

Mr. President, the Great Egg Harbor River is a resource enjoyed by nature enthusiasts throughout New Jersey and the United States. I look forward to working with the National Park Service, the State, municipalities, and local citizens to assure that this priceless and beautiful resource is preserved for us and our future generations, and urge my colleagues to support this bill.●

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 2087

At the request of Mr. PROXMIRE, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining State allotments.

S. 2190

At the request of Mr. SARBANES, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2191

At the request of Mr. ROTH, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2191, a bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers.

S. 2197

At the request of Mr. ROTH, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2197, a bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes.

S. 2198

At the request of Mr. TRIBLE, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 2198, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2224

At the request of Mr. HUMPHREY, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 2224, a bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion.

S. 2255

At the request of Mr. WILSON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 2255, a bill to prohibit the expenditure of Federal funding for Congressional Newsletters.

S. 2269

At the request of Mr. D'AMATO, the names of the Senator from Pennsylvania [Mr. SPECTER], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 2269, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

S. 2273

At the request of Mr. KASTEN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the name of the Senator from Arizona [Mr. GOLDWATER] was added as a cosponsor of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 299

At the request of Mr. COCHRAN, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Joint Resolution 299, a joint resolution to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'AMATO, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 312, a joint resolution designating the week beginning April 13, 1986, as "National Medical Laboratory Week."

SENATE RESOLUTION 379—RELATING TO ADVERSE AFFECTS OF THE MILK PRODUCTION TERMINATION PROGRAM

Mr. ABDNOR (for himself, Mr. NICKLES, Mr. SYMMS, Mr. MCCLURE, Mr. ANDREWS, Mr. BOREN, Mr. HECHT, Mr. GORE, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. HEFLIN, Mr. DENTON, Mr. ARMSTRONG, Mrs. HAWKINS, and Mrs. KASSEBAUM) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. RES. 379

Resolved,

(a) DEFINITIONS.—As used in this section:

(1) The term "milk production termination period" means—

(A) the period beginning April 1, 1986, and ending August 31, 1986;

(B) the period beginning September 1, 1986, and ending February 28, 1987; or

(C) the period beginning March 1, 1987, and ending August 31, 1987.

(2) The term "milk production termination program" means the milk production termination program established under section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)).

(3) The term "Secretary" means the Secretary of Agriculture.

(b) BALANCED PURCHASES.—During each milk production termination period, the Secretary should use to carry out clauses (1) and (2) of section 214 of the Food Security Act of 1985 (7 U.S.C. 1446 note) a percentage of the aggregate amount of funds required to be used to purchase and distribute red meat under such clauses that is equal to the percentage of the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of the milk production termination program.

(c) ADDITIONAL ACTIONS.—During each milk production termination period, if the Secretary estimates that the quantity of meat purchased under section 214 of such Act will be less than the amount of red meat marketed as a result of the milk production termination program, to ensure that the quantity of red meat marketed does not increase during the milk production termination period as the result of the milk production termination program, the Secretary should—

(a) increase the quantity of red meat purchased under clause (1) or (2), or both, of section 214 of such act, with the use of funds referred to in such clause;

(2) utilize programs operated by the Secretary for the purpose of encouraging or enhancing commercial sales in foreign export markets of United States agricultural commodities or the products thereof (including the payment of a bonus or incentive (in cash, commodities, or other benefits) provided to a purchaser) to encourage and enhance the export sales of live animals, red meat, or red meat food products;

(3) decrease the aggregate quantity of meat articles otherwise estimated by the Secretary under section 2(e)(1) of the Meat Import Act of 1979 (19 U.S.C. 2253 note); or

(4) implement any combination of clauses (1) through (3).

(d) HISTORICAL MARKETINGS.—During each milk production termination period, the Secretary should ensure that dairy cattle be marketed for slaughter as a result of the milk production termination program in an orderly manner consistent with the historical relationship of marketed dairy cattle to marketed beef cattle. In carrying out this paragraph, the Secretary should consider regional patterns for marketing beef cattle.

(e) BALANCED MARKETINGS.—To the extent feasible, the Secretary should adjust the number of dairy cattle marketed for slaughter as a result of the milk production termination program during each milk production termination period to provide for a more even distribution of such marketings over all such periods.

● Mr. ABDNOR. Mr. President, today I am introducing, along with my colleague Senator NICKLES of Oklahoma and several other Senators, legislation designed to reduce the adverse effects the Dairy Termination Program has had on livestock producers.

The implementation of the Dairy Termination Program has resulted in severe market disruptions for the livestock industry—particularly the beef cattle industry. After the U.S. Department of Agriculture [USDA] announced the acceptance of bids under the dairy herd buy-out program, cattle markets reacted by plummeting the limit for close to a week, thus costing cattlemen hundreds of thousands of dollars.

I ask my colleagues in the Senate to consider for a minute the financial pain the Dairy Termination Program has inflicted upon beef producers. Take for instance the case of a Mission, SD, rancher who has 200 head of steers ready to go to market. Immediately after USDA announced the acceptance of bids under the whole herd buy-out program, the market price for cattle dived. The market has continued to decline since that time and today those 200 head of steers are worth $190,000 less than they were 2

weeks ago! And this is but one example of the financial ruin which has occurred among our cattlemen in recent weeks.

Is anyone in this Chamber willing to tell me that this is fair? Can anyone argue that a $190,000 loss in less than 2 short weeks would not ruin a rancher, farmer, or small businessman?

Why did the markets drop so abruptly? What caused the $190,000 loss to the cattleman from Mission or the hundreds of millions in losses to other ranchers in South Dakota and across the Nation?

Clearly the answer is higher than expected signup in the Dairy Termination Program, USDA's failure to implement an orderly marketing plan for the whole-herd buyout program, and the volatility of the cattle futures market.

The 1985 farm bill included a provision requiring USDA to pull 400 million pounds of red meat off the market in order to neutralize the impact of the termination program upon livestock markets. This obviously has not provided the markets the assurances needed to prevent a drop in red meat prices. I am concerned that the purchase of 400 million pounds over an 18-month period may fall short of providing the beef industry the protection Congress intended.

The legislation we are offering today, in both bill S. 2284, and resolution forms, directs the Secretary of Agriculture to take steps to entirely offset the meat marketed under the dairy program. If the 400 million pound removal as required in current law is inadequate, then the Secretary would be required to take any one or a combination of the following steps:

First, increase the quantity of red meat purchased.

Second, increase the quantity of meat or live animals exported.

Third, decrease meat imports.

Additionally, our legislation contains several provisions dealing with the orderly marketing of dairy cattle as well as the removal of beef. First, it directs the Secretary to purchase a percentage of the 400 million pounds of red meat in proportion to the percentage of dairy cattle to be marketed during each disposal period. Additionally, it requires the Secretary, to the extent feasible, to make adjustments in the marketing of dairy cattle under the Dairy Termination Program to provide for orderly marketing. The goal is not to disrupt the historic and regional marketing trends of beef and dairy cattle.

Mr. President, this legislation has the support of cattlemen from my home State of South Dakota as well as from across the Nation. It is desperately needed to remedy an unfair situation created by the Government—the Dairy Termination Program—and an ill-conceived marketing plan announced by USDA. I urge my colleagues to give this legislation their full consideration and invite their support and cosponsorship.●

SENATE RESOLUTION 380—PROTECTION OF THE FREE MARKET WITH RESPECT TO OIL PRICES

Mr. LAUTENBERG (for himself and Mr. WEICKER) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 380

Whereas the OPEC oil cartel has conspired to interfere with the free market to raise the price of crude oil;

Whereas the increase in crude oil prices resulted in lower economic growth, higher consumer prices and interest rates, and economic dislocation in the United States and in other nations;

Whereas the OPEC oil cartel can no longer control oil prices and the worldwide price of oil has dropped by nearly two-thirds since the summer of 1985;

Whereas the drop in oil prices has reduced inflation and produced large savings for consumers of gasoline and heating oil;

Whereas the drop in oil prices has lowered interest rates, stimulated investment in the United States, reduced costs for those segments of the economy which are major energy users such as the airline and petrochemical industries and stimulated the domestic travel and tourism industries;

Whereas the drop in oil prices has significantly reduced the value of oil imports which helps to reduce the overvaluation of the dollar in foreign exchange markets and thereby makes United States industrial goods more competitive in the world market;

Whereas the drop in oil prices has benefited less developed nations by lowering their bills for imported fuel and lowering interest charges on foreign debt, both of which stimulate economic growth in these countries;

Resolved, That it is the sense of the Senate of the United States of America that the United States Government should not undertake any efforts to interfere with the free market by encouraging OPEC or its members to adopt production controls to artificially raise oil prices.

● Mr. LAUTENBERG. Mr. President, I am today submitting a Senate resolution with my distinguished colleague from Connecticut, Senator WEICKER, which expresses the sense of the Senate that the U.S. Government should not undertake any efforts to interfere with the free market by encouraging OPEC to adopt production controls to artificially raise oil prices.

Over the last 15 years, OPEC [Organization of Petroleum Exporting Countries] has conspired to establish production controls for oil to raise the price of oil far above what it would be in a free market. These price increases had a severe impact, both in this country and other oil-importing nations. Billions upon billions of dollars were transferred from consuming to producing countries. Growth slowed, and inflation and unemployment increased. In consuming nations, the rise in oil prices led to economic dislocations. Certain areas of the United States and certain petroleum dependent industries suffered greatly.

The world oil market has changed radically since the oil shock caused by the Arab oil embargo in 1973. Non-OPEC oil production has increased, providing alternatives to OPEC oil. These alternatives, combined by a significant decline in energy consumption as a result of conservation efforts, have had a dramatic effect. OPEC's crude oil production fell during 1985 to half its 1977 peak. This was the lowest level of OPEC crude oil production since 1967.

Today, the OPEC oil cartel can no longer control oil prices and the worldwide price of oil has dropped significantly. This decline has had significant benefits for the United States and the world economy. It has:

Reduced inflation and produced large savings for consumers of gasoline and heating oil;

Lowered interest rates, stimulating investment in the United States, reduced costs for those segments of the economy which are major energy users and stimulated the domestic travel and tourism industries;

Reduced the value of oil imports significantly, which is helping to reduce the overvaluation of the dollar in foreign exchange markets, thereby making U.S. industrial goods more competitive in the world market; and

Benefited less developed oil importing nations by lowering their bills for imported fuel and lowering interest charges on foreign debt, both of which stimulate economic growth in these countries.

Mr. President, these effects are dramatic. The price decline will act like a huge tax cut. American consumers would save $69 billion in 1986 if the average price of crude oil stabilizes at $15 per barrel, according to a Department of Energy study. Some economists see the U.S. economy growing at 4 to 5 percent by the end of the year. Increased growth also will reduce our Nation's budget deficits.

The 0.4-percent fall in February's Consumer Price Index, which was largely the result of dropping oil prices, was the biggest decrease since 1953. The inflation rate of 1986 is expected to drop to levels not seen since the midsixties.

The U.S. trade deficit may decline by $30 billion this year because of less costly oil imports, according to some economists.

Finally, just yesterday, Treasury Secretary James Baker said that lower oil prices, together with lower interest rates and a cheaper dollar, are resulting in the best economic outlook for Third World nations in over a decade.

Mr. President, the oil price decline will also help our farm economy. The

Department of Agriculture has estimated that U.S. farmers will save over $1 billion on gasoline and diesel fuel this year. Additional savings will be realized for price decreases for petroleum based fertilizers and pesticides.

Some may argue that a free market price of oil leaves the United States vulnerable if OPEC is able to regain control of the market. This argument ignores the changes in the United States over the last 15 years. First, conservation efforts have led to more efficient use of energy. The U.S. economy needs far less energy in 1986, less than 21,000 Btu's to produce $1 of gross national product, than it did in 1973 when over 26,000 Btu's were required to produce $1 of gross national product. These conservation efforts, such as more energy efficient cars, houses and appliances, are now institutionalized in the United States and will help prevent a significant increase in energy usage.

The United States also now has a 500-million-barrel strategic petroleum reserve. This reserve will help protect the United States against any attempts by the OPEC cartel to cut off our energy supplies. We must continue filling the strategic petroleum reserve.

In addition, there no longer are any price controls on oil. During the 1970's, controls discouraged production because prices were kept critically low. The absence of oil price controls today has removed artificial barriers to the marketplace setting prices adequate to elicit necessary production.

Finally, non-OPEC oil production has increased, providing alternatives to OPEC oil. Non-OPEC oil production weakens OPEC's ability to control the market. And, Mr. President, I must say that our Government should not support measures that will enrich the coffers of Mu'ammar Qadhafi, a major OPEC oil producer.

Mr. President, it is true that some sectors of our economy will suffer because of the oil price decline. But dislocations sometimes occur when the free market is working. Some sectors suffered when the price of oil escalated. But over time, a free market will lead to a readjustment in the economy. More importantly, the Nation as a whole will achieve significant gains from oil price declines.

Mr. President, the worst thing we could do would be to encourage OPEC to raise the price of oil again.

This sense of the Senate resolution makes clear that the United States should not work to strengthen OPEC and weaken America.

Mr. President, I ask unanimous consent that an editorial on this topic from Business Week be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Business Week, Apr. 14, 1986]

WHY UPSET THE OIL CART?

What's going on with the Reagan Administration's energy policy? First, Energy Secretary John S. Herrington sounds the alarm over the "political ramifications" of rapidly falling oil prices. Then Vice-President Bush, reveals that he intends to discuss oil prices with the Saudis and point out to them the importance of "stability in the market" (page 45). Despite his denial, most people interpret that to mean he intends to ask the Saudis to scale back production. (The fact is, the Saudis are producing at only 40% of capacity, while Britain, Mexico, and other non-OPEC producers are running at full speed.) Asked about Bush's comments, the White House says the free market should set oil prices. Still, it looks as if the Administration wants to rescue the oil patch by propping up OPEC. If that's the case, it makes no sense whatever. Even the political benefits the Administration may derive from bailing out the oil-producting states will probably be offset by outrage in other parts of the country.

Yes, attention should be paid to the distress the oil-price decline is causing. But there are far better ways to do this then encouraging Middle Eastern Oil producers to push up prices. Some people favor an import duty on foreign oil. True, that would allow domestic producers to raise prices, and it would transfer revenue to the U.S. Treasury rather than foreign producers. But it would also amount to a subsidy for the U.S. oil industry at the expense of the rest of the economy. What the Administration should do, if it becomes necessary, is provide direct adjustment aid to domestic oil-producing areas. That, too, would be a subsidy—but a more benign one that everybody could see for what it is.

Lower oil prices confer benefits on the economy that far outweigh regional or sectoral dislocations. The Reagan Administration and business must remember that above all else.●

SENATE RESOLUTION 381—RELATING TO UNITED STATES CORPORATE BUSINESS IN ANGOLA

Mr. DECONCINI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 381

Whereas the Marxist Popular Movement for the Liberation of Angola (hereafter in this resolution referred to as the "MPLA") has failed to hold fair and free elections since assuming power in Angola in 1975;

Whereas Angola currently harbors more than 35,000 Soviet and Cuban troops and advisers;

Whereas the Cubans and Soviets have channeled more than $4 billion in assistance and military aid in furtherance of this intervention in Africa;

Whereas the MPLA government of Angola obtains more than 90 percent of its foreign exchange from the extraction and production of oil;

Whereas most of Angola's oil is extracted in Cabinda Province, where 75 percent of it is extracted by the Chevron-Gulf Oil Company;

Whereas the MPLA has refused to take meaningful steps to end its dependency on Soviet and Cuban forces, engage in rational reconciliation efforts within Angola, or encourage the independence of Namibia;

Whereas United States business interests are in direct conflict with United States foreign policy objectives in aiding the MPLA government of Angola, which directly opposes Jonas Savimbi and UNITA, recipients of United States support; and

Whereas imposition of severe economic sanctions will encourage the MPLA to promote a fair political solution and negotiate with the United States toward a peaceful settlement: Now, therefore, be it

Resolved, That it is the sense of the Senate that the interests of the United States are best served when United States business transactions conducted in Angola do not directly or indirectly support Cuban troops and Soviet advisers.

SEC. 2. The Senate hereby requests that the President use his special authorities under the International Emergency Economic Powers Act to block United States business transactions which conflict with United States security interests in Angola.

SEC. 3. The Secretary of the Senate shall transmit a copy of this resolution to the President.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AIRPORT TRANSFER

HOLLINGS (AND MATHIAS) AMENDMENT NO. 1745

Mr. HOLLINGS (for himself and Mr. MATHIAS) proposed an amendment to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

AMENDMENT NO. 1745

On page 29, strike all from line 21 through line 6 on page 30, and insert in lieu thereof the following:

(2)(A) Basic lease payments shall be sufficient to repay to the United States an amount equal to the fair market value of Washington Dulles International Airport and Washington National Airport, at an imputed interest rate for such repayment, within thirty-five years after the date of transfer.

(B) In order to assist in determining such fair market value, the Secretary shall solicit three independent appraisals of the value of the Metropolitan Washington Airports, and any such appraisal shall be conducted within six months after the date of enactment of this Act. The Secretary shall determine the fair market value of the Metropolitan Washington Airports by calculating the average of the values specified in such appraisals, except that in no event shall such amount be fixed at less than $111,400,000.

HOLLINGS AMENDMENT NO. 1746

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill S. 1017, supra; as follows:

On page 49, strike lines 4 through 14 and insert in lieu thereof the following:

(1)(A) title to all real property leased to the Airports Authority pursuant to this Act shall be retained by the United States, and (B) the Airports Authority shall manage and operate all such property in accordance with the provisions of this Act, except that real property that is not then in use for airport purposes as defined in section 8(a)(1) of this Act shall instead be reported to the General Services Administration for disposition under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.);

SARBANES AMENDMENTS NOS. 1747 THROUGH 1753

(Ordered to lie on the table.)

Mr. SARBANES submitted seven amendments intended to be proposed by him to the bill S. 1017, supra; as follows:

AMENDMENT No. 1747

On page 39, line 9, insert before the period "and that the nighttime noise limitation standards currently set out at 14 CFR 159.40 may not be amended".

AMENDMENT No. 1748

On page 37, strike out lines 1 through "such" on line 3.

AMENDMENT No. 1749

On page 38, line 4, strike out all after "charge" through line 8 and insert in lieu thereof a period.

AMENDMENT No. 1750

On page 37, line 25, strike out "at Federal expense".

AMENDMENT No. 1751

On page 49, line 10, after (40 U.S.C. 471 et seq.): add: "provided further that real property in use for airport purposes shall continue to be used for such purposes."

AMENDMENT No. 1752

On page 38, line 9, strike out "All" and insert in lieu thereof "Notwithstanding the lease authorized pursuant to section 5 of this Act, all".

On page 38, line 10 strike out ", during the term of the lease,".

AMENDMENT No. 1753

On page 35, line 7, strike out "Five" and insert in lieu thereof "Three".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "two members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 8, beginning with "The" strike out all through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, and a second member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be".

SARBANES (AND MATHIAS) AMENDMENT NO. 1754

Mr. SARBANES (for himself and Mr. MATHIAS) proposed an amendment to the bill S. 1017, supra; as follows:

On page 40, inset after line 25, the following new subparagraph:

(D) Before the date of transfer, the Secretary shall assure that the Airports Authority has agreed to a continuation of all collective bargaining rights enjoyed before the date of transfer by employees of the Metropolitan Washington Airports.

On page 43, line 24, insert "(1)" after "(b)".

On page 44, insert between lines 9 and 10 the following new paragraph:

(2) The arrangements made pursuant to this section shall assure, during the 35-year lease term, the continuation of all collective bargaining rights enjoyed by transferred employees retained by the Airports Authority.

SARBANES AMENDMENT NO. 1755

Mr. SARBANES proposed an amendment to the bill S. 1017, supra; as follows:

On page 42, line 20, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 1, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 7, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 10, strike out "2-year" and insert in lieu thereof "5-year".

On page 43, line 19, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 1, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 4, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 5, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 11, strike out "2-year" and insert in lieu thereof "5-year".

On page 44, line 24, strike out "2-year" and insert in lieu thereof "5-year".

SARBANES AMENDMENT NCS. 1756 THROUGH 1762

(Ordered to lie on the table.)

Mr. SARBANES submitted seven amendments intended to be proposed by him to the bill S. 1017, supra; as follows:

AMENDMENT No. 1756

On page 35, line 5, strike out "eleven" and insert in lieu thereof "fourteen".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "three members".

On page 35, line 22, strike out "member" and insert in lieu thereof "members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 10, strike all after the period through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, a second member for a 4-year term, and a third member for a 2-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be ".

On page 36, line 14, strike out "Seven" and insert in lieu thereof "Nine".

AMENDMENT No. 1757

On page 35, line 5, strike out "eleven" and insert in lieu thereof "fifteen".

On page 35, line 10, strike out "two" and insert in lieu thereof "three".

On page 35, line 11, strike out "one member" and insert in lieu thereof "four members".

On page 35, line 22, strike out "member" and insert in lieu thereof "members".

On page 36, lines 5 through 7, strike out ", in the case of the Commonwealth of Virginia and the District of Columbia,".

On page 36, line 10 strike all after the period through "appointees" on line 12, and insert in lieu thereof "The President shall make an initial appointment of one member for a 6-year term, a second member for a 5-year term, and a third member for a 4-year term, and a fourth member for a 3-year term. All subsequent appointments by the President shall be for a 6-year term. Such Federal appointees shall be ".

On page 36, line 14, strike out "Seven" and insert in lieu thereof "Nine".

AMENDMENT No. 1758

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 20, beginning with "maintenance" strike out all through the parenthesis on line 22 and insert in lieu thereof "any expenses".

On page 41, line 24, beginning with "maintenance" strike out all through the parenthesis on line 2 on page 42 and insert in lieu thereof "any expenses".

AMENDMENT No. 1759

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "on capital expenses (including debt".

AMENDMENT No. 1760

On page 41, strike out lines 17 and 18 and insert in lieu thereof the following: "no revenues, regardless of how derived—".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after the parenthesis through "debt" on line 1 on page 42 and insert in lieu thereof "including debt".

AMENDMENT No. 1761

On page 41, line 17, strike out "or" and insert in lieu thereof a comma.

On page 41, line 18, insert after "automobiles" the following: ", or leasing any property".

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "or capital expenses (including debt".

AMENDMENT No. 1762

On page 41, line 20, insert after "operating" the following: "or capital".

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 24, strike out all after "operating" through "debt" on line 1 on page 42 and insert in lieu thereof "or capital expenses (including debt".

BAUCUS AMENDMENT NO. 1763

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill S. 1017, supra; as follows:

At the appropriate place, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program;

Now, therefore,

It is the sense of the Congress that the Secretary of Agriculture shall immediately take the following steps to address the current instability in the red meat market.

(1) The Department shall increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a voluntary basis. And changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country. The Department should also include the actual count of all dairy cattle which are marketed as a result of this program in the published weekly slaughter reports.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers must be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SYMMS (AND OTHERS) AMENDMENT NO. 1764

Mr. SYMMS (for himself, Mr. BOSCHWITZ, Mr. HELMS, Mr. WEICKER, Mr. NICKLES, and Mr. MATTINGLY) proposed an amendment to the bill S. 1017, supra; as follows:

At the appropriate place, add the following:

As recently as February 4, 1985, the Office of Management and Budget projected that deficits for Fiscal Years 1986 through 1990 would increase the federal debt by $697,289,000,000;

Congress sought to remedy this problem of escalating debt by enacting the Gramm-Rudman-Hollings deficit reduction program, which was passed by both Houses of Congress and signed into law by the President on December 12, 1985;

Even under Gramm-Rudman-Hollings, the federal debt is projected to grow to $2,323,100,000,000 in fiscal year 1987, $2,523,000,000,000 in fiscal year 1988, and $2,697,700,000,000 in fiscal year 1989;

As a result, even Gramm-Rudman-Hollings will produce a federal debt which, by fiscal year 1989, will represent well over $10,000 for every man, woman, and child in the United States;

The financial markets of the United States and the other industrialized nations of the world look to the government of the United States for leadership in the resolution of its deficit crisis; and

The consideration of tax reform by the Senate of the United States without first making serious efforts to control the deficit will only succeed in enhancing the uncertainty in financial markets which those deficits create: Now, therefore, it is the sense of the Senate that tax reform should not be considered or debated by the United States Senate until a firm, definite budget agreement has been reached between the President and the Congress of the United States.

BAUCUS (AND OTHERS) AMENDMENT NO. 1765

Mr. BAUCUS (for himself, Mr. EXON, Mr. HEFLIN, Mr. ANDREWS, Mr. ZORINSKY, Mr. GORE, Mr. MELCHER, Mr. BOSCHWITZ, Mr. HARKIN, Mr. SYMMS, Mr. HELMS, Mr. NICKLES, Mr. MATTINGLY, Mr. PRESSLER, Mr. WILSON, Mr. BENTSEN, Mr. BOREN, Mr. DOLE, Mr. GRASSLEY, Mr. ABDNOR, Mr. BURDICK, Mr. DENTON, Mr. BINGAMAN, Mr. MCCLURE, and Mr. HATCH) proposed an amendment, which was subsequently modified, to amendment No. 1764 proposed by Mr. SYMMS (and others) to the bill S. 1017, supra; as follows:

At the end of the amendment, add the following:

The Food Security Act of 1985 established a milk production termination program intended to reduce the current oversupply of milk products, and

The Food Security Act of 1985 also provided that the Secretary of Agriculture should make purchases of specified amounts of red meat in order to offset the effects of the milk production termination program on the red meat market, and

The implementation of the milk production termination program has resulted in substantial declines in both current prices of red meat and futures prices for red meat, and

Both cattle and dairy farmers would benefit from more stable red meat prices, and

Immediate action is necessary to counteract the adverse effects of the dairy diversion program; Now, therefore,

It is the sense of the Senate that the Secretary of Agriculture should immediately take the following steps to address the current instability in the red meat market.

(1) The Department should increase the present purchase of red meat and defense distributions during the first bid period, which has been announced by the Department to be from April 1, 1986 to August 31, 1986. The purchases should proportionately reflect the presently scheduled 633,176 cows; 216,970 heifers; and 165,900 calves, which are to be slaughtered during each disposal period in the program. The red meat purchases should reflect the number of cattle that are slaughtered during each disposal period in the program.

Specifically, the Department should immediately begin purchasing more of the 200 million pounds of red meat that are to be purchased during the milk production termination program during the first disposal period. This purchase amount is in contrast to the 130 million pounds that the Department is presently scheduled to purchase during the first disposal period. Further, the Senate expresses its concern that the Department has not scheduled the present purchase of 130 million pounds until April 14, 1986 for canned meat and April 21 for frozen ground beef. These purchases do not correspond to the April 1 starting date of the first disposal period.

The Department should accomplish this purchase goal by expediting school lunch purchases and domestic feeding program purchases to begin in April rather than the traditional month of July. Toward the same end, the Department should act immediately on the provision of the law that requires that the meat be channeled through the Department of Defense.

(2) The Department should move approximately 200,000 dairy cows and corresponding heifers and calves, which are presently scheduled during the first disposal period, to later periods by moving those producers who submitted multiple bids at the same price. The move should be conducted on a

voluntary basis. Any changes in the disposal period should be consistent with the existing contracts with dairy producers who are participating in the program.

(3) The Department immediately should take additional steps as necessary to alleviate the concerns in the red meat industry regarding the adverse impact on total red meat supplies due to the additional dairy cattle that are being slaughtered. The Department should implement a plan to encourage proportional spacing of dairy cattle slaughter within each disposal period for producers in the program. This could include monthly and weekly targets for dairy cattle slaughter during the disposal periods to minimize jamming of slaughter house facilities occurring in some parts of the country.

(4) The Department also should take further steps that would offset any further damage to the red meat industry. Producers should be assured that the Federal Government will purchase a pound of red meat to offset every pound of red meat which enters the market as a result of the milk production termination program, and that the Department is taking other steps to provide for the orderly marketing of dairy cattle slaughtered under the program.

SEC. . (a) the Senate also finds and declares that:

(1) the Food Security Act of 1985 established the Dairy Termination Program intended to reduce the current oversupply of dairy products, and

(2) the Food Security Act of 1985 directs the Secretary of Agriculture to minimize the adverse price effect of the Dairy Termination Program on red meat producers through the use of timely and judicious administrative actions, and

(3) the implementation of the Dairy Termination Program has resulted in substantial declines in both the current and future prices for meat, and

(4) immediate corrective action by the Secretary of Agriculture, utilizing the broad discretionary authority available to the Secretary under the Food Security Act of 1985, is necessary to abate the precipitous decline in meat prices:

(b) it is therefore the sense of the Senate that the Secretary of Agriculture should immediately significantly modify the Department of Agriculture's policies relating to the Dairy Termination Program, report to the Congress not later than April 15, 1986, what corrective actions, have been taken, and what legislative changes, if any, are necessary to further modify this program to abate the decline in meat prices in a reasonable and judicious manner.

MATHIAS (AND SARBANES) AMENDMENT NO. 1766

Mr. MATHIAS (for himself and Mr. SARBANES) proposed an amendment to the bill S. 1017, supra; as follows:

On page 41, strike out lines 17 and 18 and insert in lieu thereof "and in conformance with section 511 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2210), no landing fee, automobile parking concession, terminal area or other building rental, land lease, or any other concession, rent of user charge providing operating revenue to the authority—".

On page 41, line 19, insert "generated" after "(A)".

On page 41, line 20, insert after "operating the following: "or capital.

On page 41, line 21, strike out "excluding" and insert in lieu thereof "including".

On page 41, line 23, insert "generated" after "(B)".

On page 41, line 24, insert after "operating" the following "or capital"

On page 41, line 24 continuing on page 42, line 1, strike out "excluding" and insert in lieu thereof "including".

On page 42, insert between lines 2 and 3 the following new paragraph:

(9) To further the intent of paragraph (8), the Airports Authority shall—

(A) maintain separate financial records for Washington National Airport and Washington Dulles International Airport;

(B) prepare an annual report on the operation of the Metropolitan Washington Airports in accordance with the audit procedures set forth in paragraph (6) of this subsection; and

(C) submit such report to the Congress.

On page 42, line 3, strike out "(9)" and insert in lieu thereof "(10)".

TRIBLE AMENDMENT NO. 1767

Mr. TRIBLE proposed an amendment to the bill S. 1017, supra; as follows:

On page 49, strike lines 2-3, and insert in lieu thereof the following:

SEC. 11. (a) The Airports Authority may extend the lease entered into under section 5(a) of this Act for an additional term of 15 years for the sole purpose of continuing to operate the airports under the terms and restrictions established in this Act.

(b) During the period of the lease the Secretary and the Airports Authority may negotiate a contract of sale for the transfer of the properties constituting the Metropolitan Washington Airports. Such properties shall not be sold until the Congress approves legislation implementing the terms of such contract.

(c) Upon approval by the Congress of legislation implementing the terms of such contract—

TRIBLE AMENDMENT NO. 1768

Mr. TRIBLE proposed an amendment to the bill S. 1017, supra; as follows:

On page 36, line 14, strike "Seven" and insert in lieu thereof "Nine".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has added an additional measure on which the subcommittee will receive testimony at its hearing scheduled for Tuesday, April 15, 1986, beginning at 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The additional measure is S. 2285, to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes. As previously announced, the subcommittee also will receive testimony on S. 1302, S. 1251, and S. 2205.

For further information regarding this hearing, please contact Ms. Debbi Rice or Mr. Howard Useem at 202-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, April 10, to hold a hearing on the nomination of Robert Gates, to be Deputy Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, April 10, to consider the Department of Energy's proposed Uranium Enrichment Service Criteria; 10 CFR Part 762, contained in the Federal Register volume 51, No. 19; the amendments to S. 1004, Uranium Mill Tailings Reclamation Act of 1985; the viability of the uranium industry; and any other legislation relating to this subject which is pending before the subcommittee at the time of the hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, in closed session, to hold a hearing on theater nuclear forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, 1986, in open session followed by a closed session, on chemical modernization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcom-

mittee on Sea Power and Force Projection and the Subcommittee on Military Construction of the Committee on Armed Services be authorized to hold a joint meeting to conduct an open hearing followed by a closed session, on U.S. security interest in the Philippines, during the session of the Senate on Thursday, April 10, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Preparedness Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, April 10, in open session, followed by a closed session, to conduct a hearing on Air Force readiness status, and ONM.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, April 10, to conduct a hearing on the reauthorization of the National Bureau of Standards.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Thursday, April 10, to conduct a hearing on legislation to authorize the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND NUCLEAR PROLIFERATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Nuclear Proliferation of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, April 10, to hold a hearing on the review of the 1985 Government nonproliferation activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, April 10, in order to continue markup on H.R. 3838, the tax reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CALL TO CONSCIENCE: THE CASE OF VLADIMIR FELTSMAN

● Mr. MITCHELL. Mr. President, I rise today to share with you and the world the tragic story of Vladimir Feltsman. Mr. Feltsman is a virtuoso concert pianist whose artistry is now censored and controlled by the Soviet Government.

Until 1979, when Vladimir Feltsman and his wife Anna applied for emigrant visas Mr. Feltsman played with the finest Soviet orchestras and appeared in many concert tours around world. He recorded extensively on the Melodia label. His interpretations of Chopin are particularly well noted. All this, however, has come to an end.

His records and tapes can no longer be found in the Soviet Union and his concerts have been limited to small Soviet cities. The Feltsman family presently lives on a monthly pension of 120 rubles from the Musician's Union. But the frustration and humiliation does not end there. In February, a concert Mr. Feltsman was to give at the American Embassy residence was disrupted when it was discovered that several of the piano's strings had been severed by vandals. In addition, Soviet guests at the Embassy were subjected to an unusual level of harassment. No Soviet officials were in attendance. In a final show of official hooliganism, Mr. Feltsman also found that the tires of his car had been slashed.

Perhaps most frustrating of all, however, is the fact that Soviet officials of the Department of Emigration have three times refused the Feltsmans the visas they need to join their family in Israel. Although Mrs. Feltsman's brother and aunt both reside in Israel, the visas have been denied under the sentence: "No close relatives in Israel."

This story is not unique. Thousands of Jews in the Soviet Union have expressed their desire to emigrate to Israel—as is their right under the Helsinki accords. Instead of getting visas they lose their jobs, their friends, and put tremendous strains on families as they commit their lives to their decision. This is not right and I call on the leaders of the Soviet Union to search their consciences for ways to change this situation.●

SHAPING TOMORROW TODAY—ADDRESS BY CHARLES M. WEST

● Mr. SIMON. Mr. President, earlier this year the remarks given by Charles M. West, the executive vice president of the National Association of Retail Druggists, to the Illinois Pharmacists Association brought into keen focus our need to look to the future. The remarks clearly set forth the role of pharmacists in that future. I think many of my colleagues would find Mr. West's remarks helpful and I ask that his speech be printed in the RECORD.

The speech follows:

SHAPING TOMORROW TODAY

(By Charles M. West)

Have you ever noticed how difficult it is to make it through a single working day without being confronted—in a newsletter, magazine, or periodical of some sort—with yet another forecast of the future? Predicting the future has become a veritable growth industry. We predict everthing: what's going to become of our domestic auto industry, how big the federal deficit is likely to get, how long mechanical heart transplant patients will survive, who's going to win the World Series, the Super Bowl, the Stanley Cup, what's going to become of the pharmacy profession . . .

That last one got your attention, didn't it? It always does, because all of a sudden the predictions aren't arcane or abstract, they're about you, about your livelihood. Forecasts like these never fail to sell magazines; that's why we keep getting confronted with them. But of what enduring value are they to you really as a pharmacist?

If you pick up a magazine tomorrow and read an article by a seemingly well-informed pharmacy thinker who tells you that in-house HMO pharmacies are going to dominate the pharmacy landscape by 1990, what are you going to do? Fold up shop? What if the nation's independents had taken as gospel FDA Commissioner James Goddard's prediction in the 1960s that the independent corner drugstore would disappear from the American scene within 20 years? Well, if they had taken it as gospel, I wouldn't be here talking to you today. Just for the record, A.C. Neilsen has reported that the number of independent drugstores has in fact held steady at more than 33,000 in each of the last three years.

No, it's best not to take these predictions too seriously. The future is not determined by prognosticators. It is shaped by you and me. The trends the soothsayers divine are of value to us only insofar as they help us see where our next challenges may be coming from and where our next opportunities are likely to arise.

For exampie, if we were to look, we would see that there are now several very encouraging trends pointing to a bright future for the independent. These trends include:

The aging of the Americn population. This will likely mean an increasing demand for pharmaceuticals from readily accessible, convenient sources like the neighborhood drugstore.

The deinstitutionalization of health care services. More and more patients are going to be cared for at home in the decades ahead. This should result in a greater reliance than ever on community-based health care services such as those provided by independent retail pharmacists.

The self-care movement. A better educated, more health conscious public is increasingly taking their health into their own hands. They are no longer content to shop for price alone. They will ask for and expect quality and service from their health care providers—standards that have always distinguished the independent.

A renewed faith in the marketplace. The conservative revolution has rekindled the entrepreneurial spirit and contributed to a surge in the small business community.

I could continue. There are many promising signs for the future of the independent.

But just as the nation's independents turned the other cheek to the predictions of former Commissioner Goddard, I would suggest that we not let our heads be turned by these more positive prognostications. The elderly will not come running to our stores just because we're there. The growing numbers of patients being cared for at home are under no obligation to turn to us for their health care needs. As always, the competition for those patients and for a prosperous future will be keen. The future will be what we make of it.

The battle for pharmacy's future will be waged on two fronts: in the marketplace and in the political arena. The nation's independents demonstrate every day that they are indeed tough competitors in the marketplace. But traditionally pharmacists have been less than willing to take to the political trenches. This is understandable enough, but seriously short-sighted. As long as pharmacy is a health profession, it will be regulated, and as long as it is regulated, politics and pharmacy will be inseparable.

Bold, decisive action must be taken in the political arena as well as the marketplace if we are to be masters of our profession's future. I can think of no better example of the need for such action than our recent victory in the earned discounts battle with HCFA.

For one full year—from the day our House of Delegates passed a resolution on the matter at our 1984 annual convention in Miami Beach—NARD, assisted by several state and national pharmacy groups, waged an all-out war to prevent the implementation of HCFA's proposed policy change that would have confiscated pharmacists' earned discounts from the Medicaid drug program. If we had chosen to stand on the political sidelines, the recommendations of the HHS Inspector General to take as much as 15 percent off AWP would have gone into effect as early as January, 1985 in Region VI. The cost to the nation's pharmacists, by the government's own conservative estimates, would have been $128 million annually. Please note, I said annually. That figure would have been multiplied the next year and the next year, and the next year, without end. The cost of standing clear of the political arena would have been catastrophically high for the nation's pharmacists.

Battles like this one illustrate clearly that pharmacists do indeed control their own destinies. That cannot be said enough. Too many pharmacists have succumbed to the numbing forces of negativism in the profession. They've let themselves be fooled into believing that they are not the masters of their own fate. Well, I can assure you the folks at HCFA know better than that.

It is critically important that the can-do attitude so evident in the earned discounts battle be brought to bear on all the issues confronting the profession. The challenges we face are indeed formidable. The ongoing drug diversion hearings in the House of Representatives, for example, are calling into question no less than the integrity of the entire drug distribution system. CBS News carried a piece on the topic just this week, and more revelations are still to come. Already a wide range of criminal and civil violations of the price discrimination provisions of the Robinson-Patman Act and other illegal drug diversion activities have been revealed.

This Congressional investigation is both a challenge and an opportunity for pharmacy. The burden will be on us to do the right thing, to live up to the high standards for the profession we have set for ourselves, and the public expects of us.

Throughout my career—as a practicing independent retail pharmacist, as a state exec, and as NARD's executive vice president—I have heard no complaint voiced more persistently by independents than that of discriminatory pricing. But, as often as not, that's all we did: complain. Then we threw up our hands, convinced there was nothing we could possibly do to change those seemingly immutable, inequitable laws governing drug prices.

Well, this Congressional investigation is exposing rampant abuses of the Robinson-Patman Act exemption by so-called "commercial nonprofits," including nonprofit hospitals, clinics and HMOs. These institutions—in competition with for-profit independents—have used the exemption to purchase drugs at prices many times below that available to the average retailer.

Here, a quote from the House subcommittee's July report: "An entire industry has sprung up whose sole purpose appears to be to solicit nonprofit hospitals to purchase excess pharmaceuticals using their special discount, which products are then immediately resold to the broker for ultimate resale to a retailer. The current head of the California Board of Pharmacy told the subcommittee staff that it was his guess that hospital diversion was the leading source of products for the diversion market in his state."

You heard it right: "the leading source." We could not have asked for a more clear confirmation of our decision last fall to make discriminatory pricing our top legislative priority for 1985 and for 1986 as well.

We are no longer sitting on our hands convinced that nothing can be done about this longstanding problem. We have resorted to political action. We have petitioned Congress to sponsor legislation that restates the original intent of Congress when it passed the 1938 Nonprofit Institutions Act. Congress did not intend with that legislation to destroy retailers and reward nonprofits actively competing in the marketplace. And it certainly did not intend to provide the catalyst for an illegal, life-threatening marketplace for diverted drugs. As one House subcommittee member put it during the hearing, we are talking here about "the most criminal activity possible."

So, to repeat, an extraordinary opportunity is now before us. Will we be ready to seize it? Political action will again be vital to our success. We can shape our tomorrow with bold, decisive action today.

Another formidable challenge we face is the proliferation of mail order drug programs. These programs are a threat to public health. NARD's Mail Order Task Force and its Mail Order Clearinghouse have already collected disturbing examples of dangerous deficiencies inherent in mail order drug delivery programs. There is simply no way for a mail order drug program, which lacks face-to-face communication between the pharmacist and the patient, to provide comprehensive drug services to their patients.

Independent retail pharmacists know and observe their patients. They are there to determine patient compliance with prescriptions and maintain complete patient profiles—they have a comprehensive view of the patient. This process is reinforced by the personal interaction inherent in pharmacy practice. Proper health care involves more than the delivery of drugs.

Mail order firms, by contrast, can only address one aspect of the patient's drug regimen—maintenance drugs. They cannot examine the patient's entire drug therapy and never see the individuals enrolled in their programs. In addition, we have to question the integrity of a distribution system that relies exclusively on the mails, and cannot help but wonder about the quality of drugs exposed to extreme temperatures, mishandled, delayed, or otherwise compromised.

We consider these problems sufficient threats to the public health that earlier this year we initiated a campaign to further document these abuses through NARD's Mail Order Clearinghouse. We plan to collect more data during the coming year and will use this information to educate consumers and to guide appropriate legislative and regulatory reforms.

Our education efforts on the potential health hazards of mail order drugs cannot stop with consumers, however. They must extend to the group purchasers of mail order drug services—to unions and to employers large and small. The danger mail order drug programs pose is insidious. Decisions affecting the health and well-being of consumers are being made in the quiet of corporate boardrooms without full appreciation of the risks of such programs. The public health is being jeopardized in the guise of cost containment.

We must gain *entrè* to those boardrooms and educate the purchasers of prescription drug services about the vital importance of face-to-face interaction between pharmacist and patient and the sizable risk of mail order drug delivery.

All of us have spent several years in pharmacy school learning to be drug experts. Once we graduate and begin our careers, we are asked to abide by the laws and regulations governing pharmacy practice in our state. Those laws and regulations exist because it is a health profession we have chosen to practice, and no less than the safety of our patients depends upon our adherence to those standards. Is it too much to ask then that those who work in mail order pharmacies abide by the same standards if they wish to dispense drugs in state? After all, we are talking about the health and welfare of the public here, not mail-order widgets.

These are just a few of the challenges we face. None are insurmountable. Let us resolve not to forfeit control of our fate to those outside the profession. Let us resolve not to stand on the sidelines. It is we who will shape our tomorrow, no one else. Our destiny is in our hands.

You know, we do have a great deal to protect. No other secular profession is held in as high public esteem as pharmacy. We provide life-saving, life-extending, and health-restoring products and a wide range of professional services to a grateful public. All of which gives us the satisfaction of being able to enjoy not only the basics of life, but many of the luxuries as well. Pharmacy is rightfully a profession that fills us with pride, without which no man or woman is truly successful.

We have every right to love pharmacy, so let's take it upon ourselves to fight in the marketplace and in the political trenches to preserve, protect, and enhance our profession—to, in short, leave this fine profession better than we have found it.

Thank you.●

MARGARET E. MUIR—A VERY SPECIAL EDUCATOR

● Mr. LEVIN. Mr. President, Miss Margaret E. Muir will be honored in a very special way on May 22, 1986. On that day, just 2 months shy of her 90th birthday, she will be a featured speaker at a Michigan Education Day event.

Miss Muir was a public school teacher for 52 years. Her career began in a one-room schoolhouse, but she is no stranger to the big, modern schools we see today. Over the years nearly 2,000 students passed through her classrooms—that's a lot of names to remember.

Miss Muir retired in 1966. On May 22 of that year, the Huron Valley school system named a new junior high school in the Village of Milford in her honor. It is in the Margaret E. Muir Junior High School that a rededication ceremony will take place on May 22. Over 1,000 people—many her former students—are expected to attend.

During Miss Muir's teaching days, she also helped run a 100 milk cow family farm. In her retirement years, she stays busy with gardening, baking, social clubs, and church activities. She keeps in constant touch with friends and relatives.

Margaret Muir has led a remarkable and busy life. It is fitting that Education Day in Michigan will be celebrated in Milford by honoring once more such an outstanding educator.

I am pleased to join so many others in paying tribute to a remarkable person.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Edwin S. Jayne, Jr., a member of the staff of Senator JEFF BINGAMAN, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Jayne in the program in Taipei, Taiwan, at the expense of Tamkang University, was in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Roy Neel, a member of the staff of Senator ALBERT GORE, JR., to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Neel in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Kirk Robertson, a member of the staff of Senator THOMAS EAGLETON, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Robertson in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Sandra E. Taylor, a member of the staff of Senator JOHN H. CHAFEE, to participate in a program in Seoul, South Korea, sponsored by the Seoul National University, from March 28–April 7, 1986.

The committee has determined that participation by Ms. Taylor in the program in Seoul, South Korea, at the expense of the Seoul National University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Judith Freedman, a member of the staff of Senator BARRY GOLDWATER, to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, from March 28–April 5, 1986.

The committee has determined that participation by Ms. Freedman in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Susan Schwab, a member of the staff of Senator JOHN C. DANFORTH, to participate in a program in Seoul, South Korea, jointly sponsored by Korea's Ilhae Institute and the Brookings Institution, from March 29–April 2, 1986.

The committee has determined that participation by Ms. Schwab in the program in South Korea, at the expense of Korea's Ilhae Institute and the Brookings Institution, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. John E. Hall, a member of the staff of Senator JOHN C. DANFORTH, and Mr. John Starrels, a member of the staff of the Joint Economic Committee, to participate in a program in Seoul, South Korea, sponsored by Seoul National University, from March 28–April 7, 1986.

The committee has determined that participation by Messrs. Hall and Starrels in the program in Seoul, South Korea, at the expense of Seoul National University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. David M. Strauss, a member of the staff of Senator QUENTIN N. BURDICK, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 28–April 6, 1986.

The committee has determined that participation by Mr. Strauss in the program in Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.●

ROYKO'S NICARAGUAN PROPOSAL

● Mr. SINON. Mr. President, one of the most effective columnists on the American scene today is Mike Royko.

He deals with serious subjects but in a way that can cause us all to chuckle or become infuriated.

Recently, he wrote a column on the Nicaraguan situation which I think my colleagues in the House and Senate would enjoy reading.

And it is not only the fact that they would enjoy it, I think we can profit by reading it.

I ask that Mike Royko's column be inserted in the RECORD.

The column follows:

BUCHANAN TRIP NOT IN THE SCRIPT

(By Mike Royko)

My recent proposal to send Patrick Buchanan to Nicaragua to help the right-wing contras overthrow the left-wing Sandinistas has struck a responsive chord in the White House.

According to a Washington source whom I can identify only as Deep Ear, President Reagan called Buchanan into the Oval Office and the following conversation may or may not have taken place:

"Patrick, I think this is a good idea. Since you're the moving force behind our efforts to overthrow the Sandinistas, you should be there leading the way."

"Uh, Mr. President, as much as I would like to get out there in the front lines, I have to remind you that I have this bad knee. It's the reason I couldn't go to Vietnam, as deeply as I yearned to clang the Cong."

"The knee should be no problem, Patrick. Here, read this secret military document, which I have been studying for the last few hours."

"Mr. President, this document looks like an old movie script. On the cover page, it says the title is 'Nipping the Nips.'"

"Let me see. Ah, you're right, it is an old movie script. Same difference, though. The important thing is that in this scene here, the platoon leader's entire leg is blown off. But that doesn't stop him. He just wraps a tourniquet on it and leads an attack hopping on one foot and firing a bazooka with one hand and tossing grenades with the

other, all the while singing the Marine Corps Hymn. I auditioned for that role. Would have had it, too, if I hadn't developed a painful case of tennis toe while rehearsing the one-legged hop. But it shows what can be done to overcome physical adversity."

"Mr. President, sir, I have to point out that that was a movie."

"Same difference. We can arrange for you to be dropped in by parachute at night. That's the way to go. Blacken your face and always remember to bury the chute so the Nazis don't find it. Look, that's how it's done in this military manual."

"Mr. President, that manual is another old script called "Gung-Ho Way to Go."

"But I've never made a parachute jump. And with this chronic knee . . ."

"Nothing to it. Look at this page. All you do is say to the guy behind you: 'See you in Berlin, Mack.' Then you give a thumbs up, yell 'Geronimo' and jump. Gravity takes care of the rest. But try to avoid landing in a tree. I saw that happen to Red Buttons once. He was a sitting duck for the S.S., poor devil."

"Mr. President, I haven't had any combat experience, much as I yearned for it during Vietnam, when this knee frustrated my desire to fight the Red Menace."

"No problem, Patrick. I can arrange with the contras for you to get a battlefield commission. Maybe the rank of El Supremo. I think that's higher than El Commandante. Or maybe it's the other way around. Either way, you get to ride in a jeep with your own driver."

"Mr. President, I'm proud that you have such confidence in me, but I'm not sure that I'm fully qualified for a command position."

"Don't be silly. The Duke was a bird colonel. Hank Fonda was at least an admiral. Bob Mitchum was a one-star general. And George Scott had four stars when his tanks romped across Germany. Say, maybe you could wear a pair of pearl-handled pistols like Scott did."

"Mr. President, as eager as I am to take to the jungle and overthrow those tools of the Kremlin, those spreaders of the Marxist plague, those liberal-loving lackeys of Lenin, I really feel that I can be of greater use in this struggle with the Sandinistas if I remain here and fight in the White House."

"Fight here? You mean the Sandinistas have advanced this far? Are they in Virginia? Why wasn't I told? I left orders that in an emergency I should be awakened, regardless what time of the day it is. Or at least Nancy should be told."

"No, Mr. President, I meant in the fight against the liberals, the Democrats, the New York Times. I'll fight it with every weapon at my disposal—the White House leak, the op-ed page thunder, the speech writing. I'll fight it in the cloakroom of Congress, the studios of "Night Line," the National Press Club, wherever the forces of the enemy are gathered."

"Maybe you're right, Patrick. I suppose there is some truth in the saying: 'They also serve, who stay behind at the Georgetown cocktail parties.' "

"Not that I don't want to go. But this pesky knee . . ."

"I understand, Patrick. And on your way out, please turn on my VCR and put in the cassette of "Green Berets." Some good military strategy there."

"Yes, Mr. President."

"And Patrick?"

"Yes, sir?"

"You're . . . not . . . limmmpinggg."●

DOMESTIC AND FOREIGN BARRIERS TO U.S. TRADE

● Mr. MURKOWSKI. Mr. President, we are all aware of the impact on U.S. industry and labor of extreme foreign competition. The most recent graphic illustration comes in the April 28 issue of Fortune magazine, which reports on the leading 500 industrial concerns. Not only are there more changes in rankings than one would expect, but there are indications of slowing in productivity. Sales this last year advanced less than the inflation rate, and profits are at their lowest levels since the 1982 recession.

I would like to direct the attention of my colleagues in the Senate to the relationship between competition in the international marketplace and the reversals many U.S. firms and employees are suffering. To develop an understanding of what American firms and labor unions are undergoing, the Task Force on International Trade Policy of the Republican Conference, which I chair, conducted a survey. We asked chief executive officers—of Fortune and Service 500 firms—and labor union leaders what they thought accounted for the trade deficit—and what role domestic barriers to productivity as well as foreign barriers to trade played.

I submit for the RECORD the preliminary report of survey results. I think that my distinguished colleagues will find pause for thought in what business and labor leaders have to say.

The report follows:

DOMESTIC AND FOREIGN BARRIERS TO U.S. TRADE: PRELIMINARY REPORT

U.S. SENATE REPUBLICAN CONFERENCE TASK FORCE ON INTERNATIONAL TRADE POLICY

Senator FRANK H. MURKOWSKI, Chairman, Senators JOHN C. DANFORTH, NANCY LANDON KASSEBAUM, MACK MATTINGLY, JAMES A. MCCLURE, DON NICKLES, WILLIAM V. ROTH, Jr., STEVE SYMMS, PAUL S. TRIBLE, Jr., and JOHN H. CHAFEE, ex-officio.

OVERVIEW

American business and labor leaders are sending a clear message to Congress regarding the United States' growing international trade deficit. The majority is not opposed to certain types of changes in international trade law. But private sector leaders want Congress to consider their views carefully and avoid drastic action.

This message was determined from the responses to a survey conducted by the U.S. Senate Republican Conference Task Force on International Trade Policy, chaired by U.S. Senator FRANK MURKOWSKI of Alaska. Other Senators on the Task Force are JOHN C. DANFORTH of Missouri, NANCY LANDON KASSEBAUM of Kansas, MACK MATTINGLY of Georgia, JAMES A. MCCLURE of Idaho, DON NICKLES of Oklahoma, WILLIAM V. ROTH, Jr. of Delaware, STEVE SYMMS of Idaho, PAUL TRIBLE of Virginia, and JOHN H. CHAFEE of Rhode Island.

The Task Force soon will make recommendations on trade policy to the Republican Conference, the organization of all the Senate Republicans.

Senator MURKOWSKI, a former banking executive, believes Congress must know what those on the "front lines" of the trade action think about the trade deficit, and conducted this survey in order to fully understand what barriers existed to equitable access in foreign markets.

Senator Murkowski contacted the Chief Executive Officers (CEOs) of America's largest firms and labor unions in December 1985, and asked their views on barriers to export trade in the United States and abroad. To date, nearly one-fourth of the private sector leaders have responded—a high response rate for this type of survey.

In summary, the business leaders said three things:

Stop reacting to protectionist sentiment and develop aggressive, positive policies that will spur U.S. global competitiveness,

Look at domestic as well as foreign barriers to U.S. export trade, and

Listen to the problems exporters have with foreign governments and with the way U.S. policy is implemented.

CONCLUSIONS

Business and trade union leaders shared their views on international trade policy because the trade deficit affects them directly—it cuts into their profits and reduces jobs for Americans. Each brought the perspective of his firm or organization, and discussed national policy in terms of its individual effects. Nonetheless, by grouping the comments together as we have done, it is possible to see a pattern and, in some areas, a degree of consensus.

Business leaders attribute much of the export problems to fiscal and monetary policies. They expect that by reducing the federal budget deficit and adjusting the dollar's value relative to other currencies, sales of U.S. products abroad (and domestic manufacturers at home) will rebound. Most leaders could point to laws, regulations, and policies that inhibited their exports, but no single law or regulation was mentioned by the majority of CEOs. Nevertheless, there appeared to be consensus that some domestic laws and regulations were having adverse impacts on international trade. These "domestic barriers", said CEOs, should be evaluated with a view toward reducing if not, eliminating their negative effects.

Comments about foreign barriers to U.S. exports were often vitriolic: CEOs felt tarriffs and duties were unreasonably high and that non-tariff restrictions delayed or denied market access to U.S. exporters. This was only part of the frustration, however. If firms approached foreign government departments, they might not reduce the offending barrier; and U.S. government officials, in the view of most CEOs, were powerless in gaining access to markets abroad. What to do? Suprisingly, most executives rejected protectionism. Legislatively, there appeared to be consensus on rationalizing, modernizing, streamlining trade laws. There was even stronger support for taking a hard-nosed approach to bilateral and multilateral trade negotiations. Throughout CEO comments ran the sentiment that trade policy must take center stage: the government had an obligation to insure that U.S. goods and services competed on an equal footing. But, CEOs implied that for the U.S. government to attempt to referee trade conflicts, when the marketplace had become global, was not enough. Government needed a comprehensive policy to make the U.S. more competitive globally.

DOMESTIC BARRIERS TO U.S. EXPORT TRADE

Less than one of ten organization leaders saw no domestic obstacles that got in the

way of U.S. export trade, and this decidedly was the minority point of view. The single largest block of respondents—about one-third—pointed to fiscal and monetary policy as the chief cause of U.S. trade deficits. Specifically, they mentioned the federal budget deficit, high interest rates, the overvalued dollar, and G-5 monetary policies—saying these priced American products out of the global market.

Most business leaders (61 percent) pointed to American laws or regulations that restricted export of U.S. goods (or stimulated imports). Laws mentioned most often were: Export Administration Act; Trade Act remedy provisions; Anti-Boycott Act; Foreign Corrupt Practices Act; Antitrust, Patent, and Embargo laws.

Only one regulation or policy was mentioned by more than three respondents, and that was the controlled item list (a list of items that it is illegal to export), which 17 percent found fault with. Other objectionable regulations or policies included: Overseas Private Investment Corporation (OPIC) and related procedures; short supply validated license procedures; DOD munitions control regulations; Ex-Im Bank policies; domestic content requirements; EEO, OSHA, and EPA procedures; farm and labor policies; and tax policy.

Several executives reflected general dissatisfaction with the domestic scene as it relates to trade. One such concern was "free trade" policy that, in the opinion of some CEOs, created export trade barriers and invited dumping of foreign subsidized goods into U.S. markets. Some objected to high U.S. labor costs; others complained that multinationals were exporting U.S. jobs abroad; still others said U.S. firms weren't competitive enough.

What to do about domestic barriers? Opinions varied, but a majority favored amending or repealing the offending laws and regulations. Recommendations made by at least 5 percent of the executives were:

	Percent
Improve Ex-Im Bank financing	20
Reduce items on controlled items list/lift export controls	10
Amend Foreign Corrupt Practices Act	9
Strengthen U.S. trade laws (secs. 201/301)	7
Extend investment tax credits	7
Cut technology transfer taxes	6
Amend antiboycott laws	6
Cut regulatory powers	6
Create a wage floor for U.S. labor	6
Enact textile and apparel legislation	5

NOTE.—Other suggestions were to amend antitrust laws, repeal embargoes, terminate OPIC, and the like.

Although a slight majority of respondents wanted changes in law or regulation, a plurality—nearly 45 percent—thought this was not needed. Instead, they proposed changes in U.S. policy and practice. The largest single group urged Congress to cut the federal budget deficit and seek monetary reforms to lower the value of the dollar. Other suggestions were to strenghten domestic production, aid structural changes in U.S. industry, and vigorously promote exports.

In sum, business and labor leaders attribute much of the trade deficit to domestic causes. Fiscal and monetary policies are significant contributing factors. So too are laws, regulations, and policies that, in the opinion of CEOs, shackle U.S. productive forces.

FOREIGN BARRIERS TO U.S. EXPORT TRADE

Almost all respondents believed U.S. products faced significant barriers to trade abroad: tariffs and quotas imposed by trading partners, non-tariff barriers to trade, foreign government promotion, and cultural obstacles to commerce.

A long list of countries imposes tariffs on U.S. products. Business and labor leaders complained of tariff rates ranging from 30 percent to well over 100 percent, the clear effect of which was to sharply reduce product competitiveness. Nearly all executives mentioned increased use of non-tariff barriers. The most universal were:

Standards, specifications, and licensing procedures, tailored to foreign countries' products, that delayed or restricted market access,

"Buy Domestic" requirements,

Restrictive import licensing requirements,

Quotas or embargoes on imports,

Local content laws,

Foreign exchange controls,

Violations of U.S. intellectual property rights, and

Demands for offsets and countertrade.

Foreign government policy also reduced market access of U.S. firms. Several executives complained of domestic subsidies that made U.S. products more expensive, and government-assisted dumping in third countries. Also, respondents objected to competition with state-owned firms that did not have to make a profit.

Cultural obstacles and restraints were mentioned less frequently, except in U.S.-Asian trade. Finally, only 4 percent of the respondents believed there were no restraints to trade at all.

Foreign barriers did not evoke a uniform response from U.S. business and labor leaders. A handful thought there was no problem. Nearly half saw serious difficulties but had not addressed the foreign government—either because they feared an even greater impact on their business or because they suspected this would not solve the problem. (Several executives said they had established foreign subsidiaries to lessen the impact of duties.) A few executives used trade associations, which represented their concerns to foreign governments.

A large number of CEOs—about 40 percent—had taken their concerns over high tariffs/duties or non-tariff barriers to the relevant foreign government department. But only one in ten of these executives was satisfied with the results.

What about U.S. action on trade complaints? Some business leaders—about one in five—had not asked for help from the government, for a variety of reasons: they wanted to establish their firm as "native" so that it might compete better; they feared more problems would result if they complained; they thought U.S. officials were unwilling to deal with the issues; or they believed the problem was caused by U.S. action.

The majority, however, had sought government help. Agencies approached most often were the U.S. Trade Representative (USTR), Commerce, International Trade Commission (ITC), State, DOD, and USDA. A small number of business and labor leaders sought out their Senators or Representatives.

Executives were not happy about their government representation. Less than 10 percent expressed satisfaction with the result. About one-third were ambivalent—believing that the result could go either way. But most were dissatisfied with actions taken by the U.S. government. Some of the disgruntled private sector leaders thought U.S. officials were not aggressive enough, or lacked local knowledge. Others believed the situation might not permit favorable U.S. action. Whatever the reason, the tenor of remarks was critical of U.S. official action.

Although one in five businesses and labor leaders said no new legislation was needed to address foreign trade problems, the majority recommended changes to U.S. law, bilateral, and multilateral agreements. Suggestions with approximate percentages include:

	Percent
GATT-related (new GATT round, broader coverage of services trade, strengthened dispute settlement mechanisms)	23
1974 Trade Act amendments (strengthen protection against deficits with trading partners—mandatory retaliation or reciprocal tariffs)	26
Amend Export Administration Act	10
Amend Foreign Corrupt Practices Act	6
Strengthen anti-dumping laws	5
Countervail natural resource subsidies	5
Modernize/clarify trade laws	7
Amend labor laws	4
Execute bilaterial, United States-Canada trade agreement	3
Other (R&D tax credits, cut anti-boycott laws, reduce regulatory burden, etc.)	11

Although several executives demanded explicitly protectionist legislation, most sought a rationalization and modernization of existing U.S. law and multi-lateral agreements. Comments on the imperative need for "fair trade," "a level international playing field," an environment in which U.S. firms would compete on an equal basis—peppered the letters, memos, and conversations of business and labor leaders.

And there was very strong interest in non-legislative options. Nearly three-fourths of the CEOs recommended stronger enforcement of existing trade laws. They said:

USTR must negotiate hard to improve fairness,

201/301 determinations must be tougher/more aggressive,

ITC enforcement should be tightened,

GATT should be used more effectively to reduce foreign tariffs,

U.S. officials must do a better trade policing job, and

U.S. should threaten to impose import surcharges if barriers don't fall.

Other recommendations were to develop the Foreign Commercial Service into a more effective promoter of U.S. trade interests, and to use diplomatic pressure to reduce or eliminate barriers. Too, mention was made of the need for aggressive use of available trade finance, such as through the Export-Import Bank.

Several CEOs mentioned regulatory and policy changes that would enhance the U.S. trade position. These recommendations were to permit energy exports, particularly of Alaska oil; to revise government procurement policies so they would promote exports (through reciprocal provisions); and to adjust monetary, tax, and labor policies. Finally, labor leaders were unanimous in calling for protection of U.S. jobs, and pointed to the unemployment already caused by the surge in imports.

A specific question asked business leaders was whether U.S. regulatory actions affected their firms' abilities to compete internationally. About half saw no problem, and those citing difficulties mentioned the obvious and direct impediments to exporting, such as U.S. export control regulations. A significant minority, however, objected to social and environmental regulations such as those of OSHA and EPA.

ABOUT THE TRADE SURVEY

The Task Force survey went to 575 chief executive officers in December, with a follow up mailing in late January, 1986. The list of executives included all 1985 FORTUNE 500 companies plus the larger SERVICES 500 firms (except utilities) and leaders of labor unions with more than 20,000 members. Follow-ups were done by phone with many non-respondents, producing a response rate of 124 or 21 percent of the universe to date.

Most CEOs completed a brief, open-ended questionniare, or wrote letters based on questions in the survey. Some sent statements of company policy, trade association positions, testimony given in Congress, even speeches and media articles. A number of business and labor leaders or their deputies called to relay their views, and several made personal visits. Because of the different forms in which comments were expressed, some transformation of data was necessary.

This report is a preliminary statement of findings. With additional responses from CEOs, the percentages may change. A final survey report will be issued by late June, 1986. For further information, contact Dr. Gerald A. McBeath, in the office of Senator Murkowski, (202) 224-6665.●

THE AIR FORCE VERSUS THE YARMULKE

● Mr. LAUTENBERG. Mr. President, I would like to bring to my colleagues' attention an op-ed that appeared in today's New York Times concerning the Supreme Court's recent decision in Goldman versus Weinberger.

The editorial, entitled, "The Air Force vs. the Yarmulke," expresses the view that the Air Force's decision to prohibit the wearing of a yarmulke by Rabbi Goldman, an Air Force captain who was also an Orthodox Jew, and the Supreme Court's deference to that decision, came from a misplaced faith in the value of uniformity. I agree, and have introduced legislation to permit the wearing of any item of apparel that is part of the armed service member's religious observance, provided it is neat, conservative, unobtrusive, and does not significantly interfere with the performance of the member's military duty. I ask that a copy of the editorial be printed in the RECORD.

The editorial follows:

[From the New York Times, Apr. 10, 1986]

THE AIR FORCE VS THE YARMULKE

(By Zick Rubin)

WALTHAM MASS.—The yarmulke lost its latest legal battle March 25, when a black-robed but bareheaded Justice William H. Rehnquist announced the Supreme Court's 5-4 decision that the Air Force need not bend its dress code to allow a Jewish officer to wear his yarmulke while on duty.

No one doubted the sincerity of Capt. S. Simcha Goldman's beliefs, no that he had worn his small, dark skullcap with his uniform for years without objection, nor even that the inflexible application of Air Force Regulation 35-10, Section 1-6(h)(2)(f) ("headgear will not be worn . . . while indoors") would limit the religious freedom of Jewish servicemen who follow the traditional practice of keeping their head covered at all times, as a constant reminder of God's presence.

But despite Captain Goldman's strong First Amendment claim, the Court deferred to the "considered professional judgment" of the Air Force that yarmulke wearing threatened discipline and esprit de corps. "If men strictly obey the regulations about wearing the uniform," Gen. George Patton once said, "they can be held truly disciplined men." From the Air Force's point of view, wearing a yarmulke was like flying out of formation.

This was not the first time that the yarmulke has been toppled in Federal court. In a 1982 decision, a panel of the Seventh Circuit Court of Appeals gave its judicial blessing to the no-headgear rule of the Illinois state high school basketball authorities, even though the rule had the effect of preventing Sholom Menora and his Hebrew Theological Yeshivah teammates from playing interscholastic basketball.

In the Menora case, the issue was not uniformity but safety—the possibility that a hard-driving player would slip on a fallen yarmulke. Since no one could cite a single instance of a yarmulke-caused fall, some court-watchers may have felt that Judge Richard A. Posner, who delivered the ruling, was taking safety too far.

Falling yarmulkes were not an issue in Captain Goldman's case. In the lower court proceedings the Air Force did in fact advance the theory that an unauthorized piece of head-gear might fly into a jet engine and cause it to malfunction or explode. Because the captain's duties were confined to the base hospital, the courts were unpersuaded by this line of attack. But the Supreme Court's majority nevertheless concluded that the Air Force had the right to make its uniforms uniform.

In a concurring opinion, Justice John Paul Stevens expressed the fear that if yarmulkes were permitted, it would be hard for the Air Force to hold the line against more obtrusive exceptions to the dress code without seeming to favor one religion over another. If a Jew could wear a yarmulke while on duty, Justice Stevens asked, could a Sikh wear a turban or a Rastafarian wear dreadlocks? Images of a wildly coutured flying force floated to mind, with airmen of varying faiths taking to the skies in yarmulkes, saffron robes, face and body paint, amulets, jodhpurs and symbolic daggers. The idea that the Air Force might be able to make reasonable accommodations to religious expression seemed to be relegated to the wide blue yonder.

The ideals of freedom for which thousands of airmen have fought and died deserve more protection from the Supreme Court than that. "If . . . Goldman wanted to wear a hat to . . . cover a bald spot, I would join the majority," Justice William J. Brennan wrote in a stinging dissent. But Captain Goldman's yarmulke was an expression not of personal vanity but of humility before God. The freedom to express such religious convictions should be zealously guarded, in military as well as in civilian life.

The Air Force shot down the yarmulke—and the Supreme Court went along—not out of religious favoritism, but out of a misplaced faith in the value of uniformity. The Court's majority tacitly accepted the Air Force's contention that its standardized uniforms are necessary to "encourage the subordination of personal preferences and identities in favor of the overall group mission." A psychologically more plausible view, however, is that morale will be highest in a humane military force that respects individual identity and that accommodates religious conviction.●

REMARKS OF SENATOR HEINZ ON QUALITY HEALTH CARE

● Mr. GRASSLEY. Mr. President, the Senate Special Committee on Aging has devoted a great deal of time and energy in the past 12 months to investigating the quality of care provided to 29 million older Americans on Medicare under the new Prospective Payment System. The committee has found widespread problems that need our immediate attention if we are to continue this Nation's commitment to the highest quality of health care.

As a member of the Senate Special Committee on Aging, I wish to direct my colleagues' attention to a speech delivered by the committee's chairman, Senator JOHN HEINZ, before the American Hospital Association on February 3 of this year. The chairman eloquently describes the major problems uncovered by the committee and outlines a number of important solutions.

I ask that the complete text of Senator HEINZ' speech be printed in the RECORD.

The speech follows:

"PRESERVING QUALITY IN HEALTH CARE: AMERICA'S CHALLENGE FOR THE '80s"

(Senator John Heinz)

I felt a little like Daniel walking into the lion's den when I stepped up to the podium just now. The American Hospital Association and the Aging Committee have not always seen eye-to-eye on how DRGs affect quality. But if I remember my Sunday school lessons, Daniel reached an understanding with the lions and they ended up with sort of a mutual admiration society.

And so today, and in the days ahead, we need to talk to each other—to find a realistic way of maintaining high quality health care while facing severe budget constraints.

For the past 25 years, we have committed an ever growing portion of our GNP to health care. This commitment was fueled by America's resolve that all her citizens deserve the highest quality care available. In our country, so rich in financial, technical and human resources, only our ingenuity and dedication limit access, we've said, to the best medical care in the world.

Since 1960, the Federal Government's commitment to health care has risen from $5.5 billion to $100 billion and represents more than 12 percent of the Federal budget. Last year, we invested nearly $70 billion in the Medicare program alone. Our commitment paid off with longer lives and better quality life in old age.

But our financial naivete during the earlier years of growth almost brought down the

whole house of cards. Like trusting parents, sending a young child to the candy store with a blank check, we structured the Medicare program with a blank check for hospitals and put the onus on them to be prudent providers of quality care.

We further strained the financial soundness of Medicare by trying to make Medicare more than intended. We helped to pay for extended hospital stays in the absence of appropriate long-term care facilities and funneled dollars to capital expansion and graduate medical education.

We got quality—at a price we couldn't afford. By 1980, we faced Medicare's demise, eroded by runaway costs. Just three years later, Congress acted to save the program with a 180-degree legislative turn—the Prospective Payment System.

The American Hospital Association, along with this Senator, argued early on that PPS encourages a prudent buyer approach to health care services and is sound policy for cost containment. Bottom line reports for 1985 justify this confidence. We may not have broken in costs, but we've herded them into the corral and have them saddled and bridled.

Much of the credit goes to you. Congress can legislate, the Administration can regulate . . . but when it comes to doing, we've got to delegate. The hospital industry has remained steady under fire in an extremely confusing new regulatory environment.

For more than two years now you've ferreted out waste and abuse and made an effort to keep it out. That diligence paid off for the taxpayer. Hospital costs in 1985 increased only 6 percent—the lowest rate of increase in the past 20 years.

As the health care providers for America's 27 million seniors, your challenge is to streamline your operations, to be more efficient—with one caveat. Americans must receive the high quality care they deserve.

Which brings me to my point: In cutting our spurs on costs, I fear we are trampling down our commitment to quality.

In January 1985, the Senate Aging Committee launched a major investigation into reports that quality care suffered under PPS. Our Committee accumulated a thousand pages of testimony from patients and their families, doctors, hospital administrators, discharge planners, community health care providers at three hearings this Fall. We requested two General Accounting Office reports, a report from the Office of Technology Assessment, reports from the Inspector General of Health and Human Services, and conducted on-site interviews with the Peer Review Organizations in five states. Here are the Committee's findings.

First, some doctors and hospital administrators out there are discharging patients saying their Medicare benefits have run out. This is wrong. Patient stays are based on need, not days. We need to end this confusion.

Second, Medicare beneficiaries are discharged prematurely or transferred inappropriately. More than a year ago the Inspector General alerted the Administration of evidence of such abuses. Most recently, the IG cited the PROs' failure to take corrective action on the thousands of cases already on record.

A third Committee finding is that Congress's watchdog Peer Review Organization feel "hamstrung" when it comes to quality review, with only a partial "snapshot" of the whole health care continuum and too few resources available for monitoring.

Fourth, DRGs drive patients out of hospitals quicker and sicker. This truth is not dangerous in and of itself, since days-of-stay often exceeded what was medically necessary under the old system. But "quicker and sicker" can be hazardous whem combined with the fifth major Committee finding: post-hospital services are strained by the burden of more patients needing greater care. Some patients may not be getting adequate care.

Finally, DRGs do a poor job of accounting for the cost of caring for severely ill patients whose "principal diagnosis" may be complicated by other chronic conditions.

The Committee's findings polarized Administration, providers, beneficiaries. Our conclusions have been labeled as insightful or inciting, farsighted or farfetched. But we are beginning to see some agreement.

To go back to Daniel's story, we're ahead of Daniel despite our differences. We've agreed on a philsophy of health care that says quality must not bow to economy. In working together towards this end, there are some steps the Administration must take, some tasks for the Congress, and some for you in the hospital industry.

We can't predict what the new HHS leadership will do, but I personally am encouraged by Secretary Otis Bowen's open commitment to quality as a top priority for his administration. He is a real health care professional. Unfortunately, Secretary Bowen's appointment comes long after the Administration dropped the ball on quality. The failure to act has undermined public confidence in America's health care system.

In two weeks I will join with Congressman Pete Stark, Chairman of the House Ways and Means Subcommittee on Health, to try to legislate what the Administration could have done on its own.

Our bill, the Medicare Quality Assurance Act, has six major components. First, it acknowledges that DRGs are often rigid when it comes to compensating hospitals for treating patients with more complex illnesses. As difficult as it may be, we need to adjust the DRGs through some form severity of illness index.

Second, we are for the Administration's expansion of the PRO scope of work, but it is not enough. Our bill has these watchdogs look at readmissions occurring over a longer period and checking quality beyond the hospital door—in home health, nursing home, board and care homes, and outpatient settings.

Third, bad discharge planning, with patients hastily and inappropriately placed for follow up care, can be fatal for the sicker patients. We need standards for discharge planning and we need to require compliance for participation in the Medicare program. The Medicare Quality Assurance Act does that, but it can't work without you.

Here you must act. We need your commitment to improve discharge planning procedures. I'm proud of the efforts of my own State of Pennsylvania's Hospital Association for the leadership they are showing in this area.

Good discharge planning depends on having the right place to send patients. Unfortunately, our post-acute services fall woefully short of demand. Strengthening the continuum of care is the fourth component of our legislation. We increase incentives for skilled nursing facilities and home health agencies to take the heavier care patients once kept in hospitals. Hospitals should develop their own comprehensive plans for post-acute care. And the Administration must halt its cuts in home health and nursing home reimbursements.

Fifth, consumer involvement in quality assurances is limited by that old adage, "ignorance is bliss." Far from bliss, some patients and their families feel panic and rage when discharged without explanation of their appeal rights. Our bill will expand protections to patients and ensure that they know what appeals are available.

Here again, you can do more to improve patient information and ensure that patients' voices are heard. The Hospital Association and the Aging Committee, along with the American Association of Retired Persons and other groups, took a big step for patients' rights in the Beneficiary Appeals notice we sent to the Administration last week. Let's build on the momentum we've achieved and get these notices out to hospitals nationwide.

Last, we need better data to shed light on the problem created by the radical transformation of our health system. HCFA is responding to the criticisms . . . yet I admit to serious impatience with those bureaucrats who continue to say there's no data showing problems.

This reminds me of the man down on his hands and knees on the sidewalk at night under a lamp post. A passerby asks what he is doing and he replies, "I'm looking for my wallet." "Where did you lose your wallet?" the passerby asks. "Down the street," the man replies, "but this is where the light is."

The Medicare Quality Assurance Act would illuminate those areas where quality is most threatened by extending the Administration's reporting requirements in both hospital and post-hospital settings.

We've got one priority: to restore public confidence in the system and assure quality health care. Look closely at proposals for modifying Prospective Payment with this priority. The Medicare Quality Assurance Act is an important step forward and I ask that you support it.

You must take the lead on maintaining quality. Be prepared for a tough struggle with compulsive budgeteers. We're talking about the lives of present and future older Americans.●

NATIONAL ADOPTION WEEK

● Mr. D'AMATO. Mr. President, I rise today to join many of my colleagues who recognize the importance of supporting legislation, Senate Joint Resolution 306, introduced by the distinguished Senator from Utah [Mr. HATCH] designating November 23–29, 1986, as "National Adoption Week." It is most appropriate that this observance take place during the week of Thanksgiving. Thanksgiving is a time for family members, sometimes traveling great distances, to join together to share their experiences and to feel again the personal joys of the sanctuary of their family.

But what happens to the child who has no family? And to adult couples who, for whatever reason, are unable to bear children? It is indeed a sad circumstance that these people needlessly suffer the absence of family life, the absence of growing up under the guidance of loving parents, and the absence of the emotional involvement and responsibility of rearing a child. The remedy to this unfortunate situa-

tion available to all who would like, but do not have, a family is clear: Adoption.

Since the 1960's, the number of couples who wish to adopt has risen substantially. So, too, has the number of single men and women who wish—and, in some cases, are permitted—to adopt. However, these figures are small in comparison to those who are capable of adopting, but are not aware that adoptable children are available. In America today, there are roughly 55,000 adoptable children legally free for adoption, but who remain in foster care or institutions because of various public or private barriers. We must elevate the level of awareness of prospective parents to the availability of these children.

Mr. President, it is necessary that we encourage family life in America. The family unit is the most basic and most important element of our Nation's strength. The stability of the American family has a synergistic effect upon the overall stability of our Nation. I urge those of my colleagues who have not already given their support to "National Adoption Week" to do so.

Thank you, Mr. President.●

NAUM AND INNA MEIMAN: DOGGED DETERMINATION

● Mr. SIMON. Mr. President, imagine living in a place where your only desire is to leave, but you cannot because someone in authority will not grant you permission. No, this is not a prison, where an inmate has criminal tendencies or has broken the law. This is not a mental institution where a patient remains because they do not meet specific requirements of mental health. The place which I am thinking of is a country, the Soviet Union.

Although unaccused, untried, and unconvicted, Soviet Jews who wish to leave their country are prisoners. The determination of these people is remarkable. Naum and Inna Meiman has been waiting for 10 years to leave. Their tenaciousness has led to increased harassment by the Soviets. Most recently, their telephone was disconnected. Despite the years of anguish and fear, Naum and Inna have never wavered in their commitment to living in the land of their ancestors.

The Bible offers many words of faith and wisdom which are truly appropriate for the Meimans and for people everywhere who are not free. "This rather is the fasting that I wish; releasing those bound unjustly, untying the thongs of the yoke, setting free the oppressed, breaking every yoke."—Isaiah 58, 6.

I strongly urge the Soviet Government to allow Naum and Inna Meiman permission to emigrate to Israel.●

ORDERS FOR FRIDAY, APRIL 11, 1986

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9 a.m. on Friday, April 11, 1986.

Further, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator PROXMIRE, Senator QUAYLE, Senator CRANSTON, and Senator MELCHER.

I also ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Is there objection?

Mr. BYRD. Reserving the right to object.

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at 9:30 a.m., the Senate will resume S. 1017, the regional airport bill, and by the previous unanimous-consent agreement a final passage vote will occur no later than 12 noon tomorrow.

It will also be the intention of the majority leader to turn to Calendar item No. 355, S. 426, the hydrorelicensing bill, hopefully under a time agreement. The Senate may also be asked to turn to Calendar item No. 596, S. 1236, the crime bill, or Calendar item No. 353, S. 1774, the Hobbs Act.

Again, I emphasize that it is possible that rollcall votes could take place as early as 9:45 tomorrow morning. So our colleagues should be aware of that.

I again thank Senator SARBANES and Senator TRIBLE for their fine cooperation and, of course, the cooperation of the Democratic leader and the majority leader in resolving this matter.

RECESS UNTIL 9 A.M. TOMORROW

Mr. SIMPSON. Therefore, under the previous order, I move that the Senate stand in recess until the hour of 9 a.m. on Friday, April 11, 1986.

The motion was agreed to; and, at 8:08 p.m., the Senate recessed until Friday, April 11, 1986, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate April 10, 1986:

DEPARTMENT OF DEFENSE

Robert Clifton Duncan, of Massachusetts, to be an Assistant Secretary of Defense, vice Robert S. Cooper, resigned.

INTERNATIONAL MONETARY FUND

Mary Kate Bush, of the District of Columbia, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years, reappointment.